

Appendix 9.2

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 30 NOVEMBER 2013**

	NOTE	30 Nov 2013 Actual \$	30 Nov 2013 Y-T-D Budget \$	2013/2014 Adopted Budget \$	Variences Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues					
	1,2				
Interest Earnings		380,997	362,657	711,090	5.06%
Other Revenue		4,635	788	1,890	488.57%
		<u>385,632</u>	<u>363,445</u>	<u>712,980</u>	6.10%
Expenses					
	1,2				
Employee Costs		(233,535)	(291,599)	(679,975)	(19.91%)
Materials and Contracts					
- Materials and Contracts Other		(41,773)	(145,188)	(348,450)	(71.23%)
- Professional/Consultant Fees		0	0	0	0.00%
Depreciation		0	(8,605)	(20,489)	(100.00%)
Utilities		0	(4,167)	(10,000)	(100.00%)
Insurance		(16,762)	(11,900)	(11,900)	40.86%
Other Expenditure		(92,834)	(67,104)	(161,050)	38.34%
		<u>(384,904)</u>	<u>(528,562)</u>	<u>(1,231,864)</u>	(27.18%)
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		0	8,605	20,489	(100.00%)
<u>Capital Revenue and (Expenditure)</u>					
Furniture and Equipment	3	(4,970)	(4,970)	(6,000)	0.00%
LESS MEMBERS EQUITY					
Development of Land for Resale					
Income Sale of Lots - Subdivision		18,282,640	22,163,527	45,640,484	(17.51%)
Income Other Subdivisions		14,029	264,312	634,349	(94.69%)
Development Costs		(11,687,387)	(19,083,466)	(45,800,319)	(38.76%)
Contribution Refund		0	(166,667)	(400,000)	(100.00%)
Contribution Returned		(220,404)	(4,166,667)	(10,000,000)	(94.71%)
Change in Contributed Equity	6	<u>6,388,878</u>	<u>(988,961)</u>	<u>(9,925,486)</u>	(746.02%)
ADD Net Current Assets July 1 B/Fwd	7	26,068,417	26,069,508	26,069,508	(0.00%)
Net Current Assets Year to Date	7	<u>32,453,053</u>	<u>24,919,065</u>	<u>15,639,627</u>	

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 30 NOVEMBER 2013

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

The Council does not hold any monies in trust.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 30 NOVEMBER 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade receivables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

(h) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:

Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 30 NOVEMBER 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

(k) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay

and includes related on-costs.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 30 NOVEMBER 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits (Continued)

(ii) Annual Leave and Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(n) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 30 NOVEMBER 2013**

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

- a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
- b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

- 1. To develop and improve the value of the land;
- 2. To maximise, and with prudent risk parameters, the financial return to the Participants;
- 3. To balance economic, social and environmental issues; and
- 4. To produce a quality development demonstrating the best urban design and development practice.

3. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year:

	30 Nov 2013 Actual \$	Adopted 2013/14 Budget \$
<u>By Program</u>		
Other Property and Services		
Photocopier	4,970	4,970
Other Office Equipment	0	1,030
	4,970	6,000
<u>By Class</u>		
Furniture and Equipment	4,970	6,000
	4,970	6,000

4. DISPOSALS OF ASSETS

No assets have been disposed of during the period under review.

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 31 DECEMBER 2013**

	NOTE	31 Dec 2013 Actual \$	31 Dec 2013 Y-T-D Budget \$	2013/2014 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues					
	1,2				
Interest Earnings		470,956	398,212	711,090	18.27%
Other Revenue		4,635	0	1,890	0.00%
		<u>475,591</u>	<u>398,212</u>	<u>712,980</u>	19.43%
Expenses					
	1,2				
Employee Costs		(268,676)	(338,003)	(679,975)	(20.51%)
Materials and Contracts					
- Materials and Contracts Other		(63,912)	(118,799)	(348,450)	(46.20%)
- Professional/Consultant Fees		(19,700)	(61,300)	0	(67.86%)
Depreciation		0	(10,039)	(20,489)	(100.00%)
Utilities		0	0	(10,000)	0.00%
Insurance		(22,933)	(11,900)	(11,900)	92.71%
Other Expenditure		(62,924)	(85,176)	(161,050)	(26.12%)
		<u>(438,145)</u>	<u>(625,217)</u>	<u>(1,231,864)</u>	(29.92%)
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		0	10,039	20,489	(100.00%)
<u>Capital Revenue and (Expenditure)</u>					
Furniture and Equipment	3	(4,970)	(4,970)	(6,000)	0.00%
LESS MEMBERS EQUITY					
Development of Land for Resale					
Income Sale of Lots - Subdivision		19,300,807	22,163,527	45,640,484	(12.92%)
Income Other Subdivisions		14,029	317,175	634,349	(95.58%)
Development Costs		(12,871,591)	(22,900,160)	(45,800,319)	(43.79%)
Contribution Refund		(220,404)	(200,000)	(400,000)	10.20%
Contribution Returned		(3,999,996)	(5,000,000)	(10,000,000)	(20.00%)
Change in Contributed Equity	6	<u>2,222,845</u>	<u>(5,619,458)</u>	<u>(9,925,486)</u>	(139.56%)
ADD Net Current Assets July 1 B/Fwd	7	26,068,417	26,069,508	26,069,508	(0.00%)
Net Current Assets Year to Date	7	<u><u>28,323,738</u></u>	<u><u>20,228,114</u></u>	<u><u>15,639,627</u></u>	

This statement is to be read in conjunction with the accompanying notes.

TAMALA PARK REGIONAL COUNCIL
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(b) The Local Government Reporting Entity

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The Council does not hold any monies in trust.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 31 DECEMBER 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and Other Receivables

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade receivables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

(h) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:

Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 31 DECEMBER 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

(k) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay

and includes related on-costs.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 31 DECEMBER 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Employee Benefits (Continued)

(ii) Annual Leave and Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(n) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2013 TO 31 DECEMBER 2013**

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

- a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
- b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

- 1. To develop and improve the value of the land;
- 2. To maximise, and with prudent risk parameters, the financial return to the Participants;
- 3. To balance economic, social and environmental issues; and
- 4. To produce a quality development demonstrating the best urban design and development practice.

3. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year:

	31 Dec 2013 Actual \$	Adopted 2013/14 Budget \$
<u>By Program</u>		
Other Property and Services		
Photocopier	4,970	4,970
Other Office Equipment	0	1,030
	4,970	6,000
<u>By Class</u>		
Furniture and Equipment	4,970	6,000
	4,970	6,000

4. DISPOSALS OF ASSETS

No assets have been disposed of during the period under review.

Appendix 9.3

Tamala Park Regional Council

Cheque Detail

December 2013

Type	Num	Date	Name	Description	Original Amount
Cheque	CH-200353	16/12/2013	Town of Cambridge - supplier	1st Dividend Payment - TPRC Project	-333,333.00
				1st Dividend Payment - TPRC Project	<u>333,333.00</u>
					333,333.00
Cheque	CH-200354	16/12/2013	City of Perth - Supplier	1st Dividend Payment - TPRC Project	-333,333.00
				1st Dividend Payment - TPRC Project	<u>333,333.00</u>
					333,333.00
Cheque	CH-200355	16/12/2013	Town of Victoria Park - Supplier	1st Dividend Payment - TPRC Project	-333,333.00
				1st Dividend Payment - TPRC Project	<u>333,333.00</u>
					333,333.00
Cheque	CH-200356	16/12/2013	Town of Vincent - supplier	1st Dividend Payment - TPRC Project	-333,333.00
				1st Dividend Payment - TPRC Project	<u>333,333.00</u>
					333,333.00
Cheque	CH-200357	16/12/2013	City of Joondalup - Supplier	1st Dividend Payment - TPRC Project	-666,666.00
				1st Dividend Payment - TPRC Project	<u>666,666.00</u>
					666,666.00

Tamala Park Regional Council

Cheque Detail

December 2013

Cheque	CH-200358	16/12/2013	City of Wanneroo - Supplier	1st Dividend Payment - TPRC Project	-666,666.00
				1st Dividend Payment - TPRC Project	<u>666,666.00</u>
					666,666.00
Cheque	CH-200359	16/12/2013	City of Stirling	1st Dividend Payment - TPRC Project	-1,333,332.00
				1st Dividend Payment - TPRC Project	<u>1,333,332.00</u>
					1,333,332.00
				TOTAL	-3,999,996.00

Tamala Park Regional Council
Cheque Detail
 January 2014

Type	Num	Date	Name	Description	Original Amount
Bill Pmt -Cheque	CH-200360	13/01/2014	City of Wanneroo - Supplier	Precinct 1 Bulk Earthworks - Application for	-3,499.00
Bill	Invoice TBA	09/01/2014		E145215 · Land Develop - Precinct 1 Bulk Earth	3,180.91
			ATO Members	GST on Members Non-Capital Expenditure	318.09
					3,499.00
Bill Pmt -Cheque	CH-200362	13/01/2014	City of Wanneroo - Supplier	Stage 6C Bonding of Landscape Works	-25,923.00
Bill	Invoice TBA	09/01/2014		E145209 · Landscape - Stage 6C Bonding of La	23,566.36
			ATO Members	GST on Members Non-Capital Expenditure	2,356.64
					25,923.00
TOTAL					-29,422.00

Tamala Park Regional Council
Summary Payment List
December 2013

Date	Num	Name	Description	Amount
02/12/2013	ET-2406	Topelberg Joshua	Elected member allowance August to 19 Octobe	-2,115.00
02/12/2013	Charges Dec	Westpac Bank	Bank charges Cheque AC December 2013	-92.35
12/12/2013	ET-2433	Employee Costs	Wages for period 28/11/13 - 11/12/13	-13,932.80
12/12/2013	ET-2429	WALGSP	KJ 9.25% superannuation for period 28/11/13 to	-163.04
12/12/2013	ET-2430	National Australia Bank	TA 9.25% superannuation for period 28/11/13 to	-928.00
12/12/2013	ET-2431	Amp	WB 9.25% superannuation for period 28/11/13 to	-391.36
12/12/2013	ET-2407	Action Couriers	Courier TPRC office to McLeods	-31.22
12/12/2013	ET-2408	Burgess Rawson	Invoices 36350-60 & 36559-60	-3,520.00
12/12/2013	ET-2409	City of Wanneroo - Supplier	Lot 271 amended rates	-1,287.63
12/12/2013	ET-2410	Docushred	Security bin	-51.70
12/12/2013	ET-2411	Emerge Associates	Street Tree Masterplan	-1,386.00
12/12/2013	ET-2412	Ertech	Marmion Ave Intersection Civil Works	-460,198.85
12/12/2013	ET-2413	Haines Norton	TAM801	-2,612.50
12/12/2013	ET-2414	Jason Borgomastro	Lot 174 Aviator Blvd - 3rd lease payment	-3,850.00
12/12/2013	ET-2416	LD Total	Invoices 57297, 57354, 55779, 57353 & 57355	-328,154.96
12/12/2013	ET-2417	McLeods Barristers & Solicitors	Subdivisional documentation Catalina subdivisio	-1,766.02
12/12/2013	ET-2418	Neverfail	Bottled water	-52.05
12/12/2013	ET-2419	Officeworks	Stationery	-102.24
12/12/2013	ET-2420	Power Earth Technologies	Interference Study - completion of study	-3,388.55
12/12/2013	ET-2421	R J Vincent & Co	Invoices 2720, 2721 & 2722	-114,356.02
12/12/2013	ET-2422	Satterley Property Group	Lot Commission on various lots	-120,725.56
12/12/2013	ET-2425	Scott Park Group	Lot 155 Felix Lane, Clarkson	-11,100.00
12/12/2013	ET-2423	Smit & Shreya Desai	Solar Rebate Lot 186	-2,000.00
12/12/2013	ET-2428	Summit Group	Rebate claim Lot 151 Display Home	-10,750.00
12/12/2013	ET-2424	Wayne Burns	Reimbursements to Wayne	-71.55
16/12/2013	ET-2437	Australian Taxation Office	IAS payment Nov 2013	-13,594.00
16/12/2013	CH-200353	Town of Cambridge - supplier	1st Dividend Payment - TPRC Project	-333,333.00
16/12/2013	CH-200354	City of Perth - Supplier	1st Dividend Payment - TPRC Project	-333,333.00
16/12/2013	CH-200355	Town of Victoria Park - Supplier	1st Dividend Payment - TPRC Project	-333,333.00
16/12/2013	CH-200356	Town of Vincent - supplier	1st Dividend Payment - TPRC Project	-333,333.00
16/12/2013	CH-200357	City of Joondalup - Supplier	1st Dividend Payment - TPRC Project	-666,666.00
16/12/2013	CH-200358	City of Wanneroo - Supplier	1st Dividend Payment - TPRC Project	-666,666.00
16/12/2013	CH-200359	City of Stirling	1st Dividend Payment - TPRC Project	-1,333,332.00
19/12/2013	ET-2438	City of Stirling	GST owing October 2013	-4,739.69
19/12/2013	ET-2439	Cabcharge	CEO conference expenses - Account fee	-6.00
19/12/2013	ET-2440	Cedar Homes	Administration (Land Development) - Lease Lot	-1,100.00
19/12/2013	ET-2442	Chappell Lambert Everett	Planning fees & disbursements - Oct 2013	-23,191.84
19/12/2013	ET-2443	City of Stirling	TPRC office rental Jan 2014	-2,566.92
19/12/2013	ET-2444	Cossill & Webley	Invoices 14602-14605 & 14607-14613	-123,452.20
19/12/2013	ET-2445	Driving Force Cleaning Services	Cleaning of sales office - Oct 2013	-360.00
19/12/2013	ET-2446	Ernst & Young	GST Margin Scheme Consultancy - GSt Advice	-7,260.44
19/12/2013	ET-2447	Exceed Consulting (WA) Pty Ltd	Landscape - Risk Assessment POS 4 playground	-495.00
19/12/2013	ET-2448	hyd20 Hydrology	Consultants - UWMP Stage 9 - 13	-1,023.00
19/12/2013	ET-2449	Irdi Legal	Car park leases - lots 169 & 173	-1,605.55
19/12/2013	ET-2450	LD Total	Invoices 57295, 57296 & 57680	-27,103.38
19/12/2013	ET-2451	Loaded	Website retainer - Oct & Nov 2013	-391.34
19/12/2013	ET-2452	McMullen Nolan Surveyors	Invoices 70104-70107	-14,847.80

**Tamala Park Regional Council
Summary Payment List
December 2013**

19/12/2013	ET-2453	Power Earth Technologies	Infrastructure - AC Interference Study Progress	-1,984.40
19/12/2013	ET-2454	Replants	Removal & replanting of grass trees	-25,575.00
19/12/2013	ET-2455	Synergy	Electricity1 McAllister Bvd Clarkson	-123.70
19/12/2013	ET-2456	Telstra	Office Telephones & Faxes - TA mobile	-44.06
19/12/2013	ET-2457	WALGA	TAM01	-2,281.59
19/12/2013	ET-2458	Water Corporation	Admin fees	-1,433.61
19/12/2013	ET-2459	Aaron & Nicole Grant	Lot 171 (3rd instalment over a 3 year period)	-2,887.50
19/12/2013	ET-2460	B & R Swami	Solar Panel Rebate Lot 19	-2,000.00
19/12/2013	ET-2461	T Arias	Parking x 3 & Train tickets x 2	-32.30
19/12/2013	ET-2462	Wayne Burns	Morning tea & coffees	-30.38
24/12/2013	CH-200359	Westpac Bank	Payment of credit card (advance to cover UDIA	-4,400.00
26/12/2013	ET-2465	Employee Costs	Wages for period 12/12/13 - 25/12/13	-12,533.15
31/12/2013	ET-2467	Urban Design Institute of Australia	Payment from credit card for UDIA Congress	-4,532.00
31/12/2013	Interest	Westpac Bank	Interest on overdraft December 2013	-1,733.71
				<u><u>-5,364,351.96</u></u>

Tamala Park Regional Council Summary Payment List

Date	Num	Name	January 2014	Description	Amount
02/01/2014	Jan Charges	Westpac Bank		Bank charges Cheque A/C - January 2014	-53.60
09/01/2014	ET-2468	Employee Costs		Wages for period 26/12/13 - 08/01/14	-12,031.68
09/01/2014	ET-2485	Cedar Homes		Sales unit 3 - Lot 1 McAllister Bvd Lease Januar	-1,100.00
09/01/2014	ET-2486	Chappell Lambert Everett		Invoices 4898 & 4899	-16,738.19
09/01/2014	ET-2487	Driving Force Cleaning Services		Sales office cleaning August 2013	-225.00
09/01/2014	ET-2488	Homebuyers Centre		Invoices 44266 & 44267	-1,980.00
09/01/2014	ET-2489	McMullen Nolan Surveyors		Stage 7 Basic & Additional Items	-2,409.00
09/01/2014	ET-2490	Synergy		Lot 9003 Marmion Ave - Sept/Dec 2013	-103.05
13/01/2014	CH-200360	City of Wanneroo - Supplier		Precinct 1 Bulk Earthworks - Application for Dev	-3,499.00
13/01/2014	CH-200362	City of Wanneroo - Supplier		Stage 6C Bonding of Landscape Works	-25,923.00
14/01/2014	ET-2491	Westpac Bank		Payment of EA card fee January 2014	-3.75
14/01/2014	ET-2492	Westpac Bank		Payment of CEO credit card January 2014	-678.92
16/01/2014	ET-2472	Amp		WB Superannuation 26/12/13 - 08/01/14	-391.36
16/01/2014	ET-2473	National Australia Bank		TA Superannuation 26/12/13 - 08/01/14	-928.00
16/01/2014	ET-2474	WALGSP		KJ Superannuation 26/12/13 - 08/01/14	-177.31
16/01/2014	ET-2493	Australian Super		VvS Superannuation for period 28/11/13 - 25/12,	-254.33
17/01/2014	Debit	Action Couriers		Charges for December 2013	-196.99
23/01/2014	ET-2494	Bushfire Safety Consulting		Fire Management Plan Stages 9-11, 20 & 21	-4,224.00
23/01/2014	ET-2475	Employee Costs		Wages for period 09/01/14 - 22/01/14	-12,464.27
24/01/2014	ET-2441	celebration homes		Rebate for Lot 164 display home	-11,500.00
24/01/2014	ET-2495	Cabcharge		Cabcharge charges & service fee for December	-70.51
24/01/2014	ET-2496	Cedar Homes		Lot 1 (removal of bee's nest)	-300.00
24/01/2014	ET-2497	Cossill & Webley		Invoices 14625, 14677-14685 & 14687	-161,957.64
24/01/2014	ET-2498	Dominic Carbone & Associates		Consultancy services for Nov & Dec 2013	-3,762.00
24/01/2014	ET-2499	Driving Force Cleaning Services		Sales office cleaning April 2013	-180.00
24/01/2014	ET-2500	Emerge Associates		Invoices 11023 & 11026	-5,500.00
24/01/2014	ET-2501	Erebus Contracting Limited		Stage 2 display village carpark - Progress paym	-76,428.00
24/01/2014	ET-2502	G & J Leighton		Solar panel rebate - Lot 105	-2,000.00
24/01/2014	ET-2503	Haines Norton		Invoice 2014-015123	-1,914.00
24/01/2014	ET-2504	Homebuyers Centre		Invoices 45090-45093	-3,960.00
24/01/2014	ET-2505	LD Total		Invoices 55358-9, 56720, 57865, 57873, 57848,	-266,016.39
24/01/2014	ET-2506	LGIS Workcare		Adjusted contribution for period 30/06/12 - 30/06	-1,006.72
24/01/2014	ET-2507	Macri Partners		Balance of audit fee & attendance at Committee	-5,698.00
24/01/2014	ET-2508	McMullen Nolan Surveyors		Invoices 70646 - 70648, 70108, 70709 & 70710	-46,571.80
24/01/2014	ET-2509	New Great Cleaning Service		Invoices 7082 & 7087	-286.00
24/01/2014	ET-2510	R J Vincent & Co		Invocies 2776, 2806, 2795, 2794, 2807 & 2931	-1,573,891.60
24/01/2014	ET-2511	S Lewis & C Emery		Solar panel rebate - Lot 26	-2,000.00
24/01/2014	ET-2512	Scott Park Group		Lot 193 display home	-11,500.00
24/01/2014	ET-2513	Seek Limited		2 x Recruitment Ads for Project Officer	-620.40
24/01/2014	ET-2514	Telstra		CEO mobile phone Dec/Jan charges	-37.45
24/01/2014	ET-2515	Transcore		Display village carpark - December 2013	-1,100.00
28/01/2014	ET-2479	Amp		WB Superannuation 09/01/14 - 22/01/14	-391.36
28/01/2014	ET-2480	National Australia Bank		TA Superannuation 09/01/14 - 22/01/14	-928.00
28/01/2014	ET-2481	WALGSP		KJ Superannuation 09/01/14 - 22/01/14	-163.04
30/01/2014	ET-2482	WALGSP		KJ Super for 12/012/013 - 25/12/13	-172.55
30/01/2014	ET-2483	Amp		WB Super for 12/12/13 - 25/12/13	-391.36
30/01/2014	ET-2484	National Australia Bank		TA Super for 12/12/13 - 25/12/13	-928.00
					<u>-2,262,656.27</u>

Appendix 9.4

31 January 2014

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
PO Box 655
INNALOO WA 6918

Dear Tony

Catalina Financial Report for December 2013

Please find attached the Catalina Financial Report for December 2013. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2013 approved budget for the period 1 December 2013 to 31 December 2013.

Settlement revenue for the financial year to 31 December 2013 is \$19.6m which is \$4.3m below the approved 'June 2013' Budget with 18 less residential settlements for the year to date, due to better than budgeted FYE2013 settlements. Project to date settlement revenue is \$62.8m, which is \$0.1m ahead of budget due to slightly higher selling prices on the 289 project to date actual settlements.

The December project to date revenue variance arises from 2 components:

- \$4.3 million favourable variance for the period 1 March 2013 to 30 June 2013 against the June 2013 budget due to 18 more residential settlements. (Note, the budget update approved in June 2013 only reflected actual income and expenditure to 28 Feb 2013)
- \$4.3 million unfavourable variance for FYE2014 revenue to budget due to 18 less settlements for the period 1 July 2013 to 31 December 2013.

Selling costs for FYE2014 are \$2.4m below the approved 'June 2013' budget, with \$1.8m of this relating to the non-application of Item 4 of the GST Margin scheme in the budget.

Sales for FYE2014 are \$1.9m unfavourable to budget due to 9 less residential lot sales during the year to date.

Overall FYE2014 expenditure is \$7.4m under budget per the approved 'June 2013' Budget, with \$11.5m spent compared to a budget of \$19.0m. The main areas of variance are summarised below:

- Landscaping \$2.8m under budget due to construction progress payments yet to be processed and delays in obtaining statutory approvals to landscape the stage 4 park.
- Infrastructure budget yet to be fully utilised by \$2.1m due to progress payments for Marmion Avenue Green Link Intersection being under budget and deferred by \$1.6m and savings for the Gravity Sewer \$0.4m.
- Contingency not yet required \$0.9m

Please refer to the attached Cashflow Analysis for a more detailed analysis of actual to budget variances.

Should you have any queries on this report, please do not hesitate to contact me.

Yours faithfully



Brenton Downing
Project Director

Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013		Actual MTD Vs Budget Dec 2013			Year to date Vs Budget to Dec 2013			Project to date Vs Budget to Dec 2013			Comments regarding variance
Job Description	Account Description	Actual 1 month to Dec 2013	Budget 1 month to Dec 2013	Variance	YTD to Dec 2013	YTD budget	Variance	PTD to Dec 2013	PTD budget	Variance	
REVENUE											
Settlements	Settlement revenue	1,030,000	1,052,716	(22,716)	19,572,500	23,851,379	(4,278,879)	62,798,500	62,713,933	84,567	94 settlements YTD ex GST Margin scheme. GST Margin as detailed in Burgess Rawson valuations Includes Commission and Management Fees Penalty interest income on settlements Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates
Margin GST	Margin GST	(7,818)	(91,216)	83,398	(262,310)	(2,067,829)	1,805,519	(1,383,379)	(4,489,754)	3,106,375	
Direct Selling Costs		(46,497)	(47,793)	1,296	(882,466)	(1,082,335)	199,869	(2,827,037)	(2,837,596)	10,559	
Interest Income		1,046	0	1,046	9,869	0	9,869	25,948	3,546	22,402	
Forfieted Deposits		0	0	0	0	0	0	9,091	0	9,091	
Rebate Allowance		(112,328)	(48,937)	(63,391)	(259,600)	(633,813)	374,213	(305,959)	(824,908)	518,948	
		864,404	864,770	(366)	18,177,994	20,067,403	(1,889,409)	58,317,164	54,565,221	3,751,943	
CONSTRUCTION											
Earthworks Stages 1-4, 6	Siteworks / Earthworks	0	0	0	85,879	0	(85,879)	2,079,728	2,189,150	109,422	Timing variance, within total budget
	Authorities Fees	0	0	0	0	0	0	3,330	0	(3,330)	
	Direct Consultants	0	0	0	0	0	(0)	157,827	181,607	23,780	
Total Earthworks Stages 1-4, 6		0	0	0	85,879	0	(85,879)	2,240,884	2,370,757	129,872	
Earthworks Stages 5 & 7	Siteworks / Earthworks	0	0	0	0	0	0	2,368,798	2,329,305	(39,493)	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	0	0	0	1,712	6,328	4,617	121,827	171,726	49,899	
Total Earthworks Stages 5 & 7		0	0	0	1,712	6,328	4,617	2,490,625	2,501,031	10,406	
Earthworks Stage 8	Siteworks / Earthworks	0	0	0	167,953	543,075	375,122	1,265,418	1,450,221	184,803	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	0	0	0	3,843	6,463	2,620	63,366	58,665	(4,701)	
Total Earthworks Stage 8		0	0	0	171,796	549,538	377,742	1,328,784	1,508,886	180,102	
Earthworks Stages 9-11	Siteworks / Earthworks	0	487,009	487,009	1,342,691	972,804	(369,886)	1,342,691	972,804	(369,886)	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	6,208	3,418	(2,790)	54,132	68,723	14,591	86,909	99,441	12,531	
Total Earthworks Stages 9-11		6,208	490,427	484,219	1,396,823	1,041,528	(355,295)	1,429,600	1,072,245	(357,355)	
Earthworks Stages 12-13	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	19,488	18,286	(1,202)	27,514	90,975	63,461	27,514	90,975	63,461	
Total Earthworks Stage 12-13		19,488	18,286	(1,202)	27,514	90,975	63,461	27,514	90,975	63,461	
Stage 1	Siteworks / Earthworks	0	0	0	17,186	0	(17,186)	3,345,231	3,361,431	16,200	
	Authorities Fees	0	0	0	0	0	0	158,201	247,888	89,687	
	Direct Consultants	0	0	0	0	19,461	19,461	214,916	273,669	58,753	
Total Stage 1		0	0	0	17,186	19,461	2,274	3,718,348	3,882,987	164,639	
Stage 2	Siteworks / Earthworks	11,373	0	(11,373)	11,373	0	(11,373)	2,534,865	2,679,498	144,633	
	Authorities Fees	0	0	0	0	0	0	253,614	393,290	139,676	
	Direct Consultants	0	0	0	0	45,056	45,056	164,171	242,539	78,368	
	Clearance Bond	0	0	0	0	0	0	25,091	25,091	0	
Total Stage 2		11,373	0	(11,373)	11,373	45,056	33,683	2,977,740	3,340,418	362,677	
Stage3	Siteworks / Earthworks	0	0	0	280	0	(280)	1,979,620	2,035,653	56,032	
	Authorities Fees	0	0	0	5,890	109,612	103,722	284,155	423,619	139,464	
	Direct Consultants	0	0	0	0	0	0	187,648	204,890	17,243	
	Clearance Bond	0	0	0	0	0	0	0	0	0	
Total Stage 3		0	0	0	6,170	109,612	103,442	2,451,423	2,664,162	212,739	
Stage 4	Siteworks / Earthworks	0	0	0	67,523	0	(67,523)	2,260,291	2,532,829	272,538	
	Authorities Fees	0	0	0	1,045	132,423	131,378	284,471	464,316	179,845	
	Direct Consultants	0	0	0	6,531	19,673	13,141	217,233	229,001	11,768	
	Clearance Bond	0	0	0	0	0	0	0	0	0	
Total Stage 4		0	0	0	75,099	152,095	76,996	2,761,995	3,226,146	464,151	
Stage 5	Siteworks / Earthworks	0	0	0	1,328,893	1,094,916	(233,978)	3,440,398	3,654,080	213,682	
	Authorities Fees	0	0	0	5,121	177,503	172,382	392,082	633,065	240,983	
	Direct Consultants	0	0	0	37,060	19,011	(18,049)	388,371	351,188	(37,183)	
	Clearance Bond	0	0	0	(493,638)	0	493,638	71,175	508,626	437,451	

Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013		Actual MTD Vs Budget Dec 2013			Year to date Vs Budget to Dec 2013			Project to date Vs Budget to Dec 2013			Comments regarding variance
Job Description	Account Description	Actual 1 month to Dec 2013	Budget 1 month to Dec 2013	Variance	YTD to Dec 2013	YTD budget	Variance	PTD to Dec 2013	PTD budget	Variance	
Total Stage 5		0	0	0	877,436	1,291,429	413,993	4,292,026	5,146,959	854,933	
Stage 6A	Siteworks / Earthworks	0	0	0	0	0	0	297,465	312,914	15,449	
	Authorities Fees	0	0	0	0	20,748	20,748	50,207	89,716	39,509	
	Direct Consultants	0	0	0	0	0	0	44,033	74,115	30,082	
Total Stage 6A		0	0	0	0	20,748	20,748	391,705	476,745	85,040	
Stage 6B	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	0	8,373	8,373	0	46,186	46,186	0	41,657	41,657	
Total Stage 6B		0	8,373	8,373	0	46,186	46,186	0	41,657	41,657	
Stage 6C	Siteworks / Earthworks	0	655,137	655,137	398,056	655,137	257,082	398,056	655,137	257,082	
	Authorities Fees	0	118,713	118,713	90,611	118,713	28,102	90,611	118,713	28,102	
	Direct Consultants	3,353	10,253	6,900	6,628	10,253	3,625	6,628	10,253	3,625	
Total Stage 6C		3,353	784,103	780,750	495,295	784,103	288,809	495,295	784,103	288,809	
Stage 7	Siteworks / Earthworks	36,616	0	(36,616)	1,568,305	1,842,013	273,708	2,224,076	2,742,020	517,944	
	Authorities Fees	0	0	0	61,459	530,677	469,218	425,907	626,528	200,621	
	Direct Consultants	5,414	0	(5,414)	84,522	67,297	(17,225)	288,688	295,224	6,537	
	Clearance Bond	0	0	0	378,405	0	(378,405)	378,405	266,283	(112,121)	
Total Stage 7		42,031	0	(42,031)	2,092,691	2,439,987	347,297	3,317,076	3,930,055	612,979	
Stage 8	Siteworks / Earthworks	0	461,377	461,377	1,732,631	1,838,618	105,987	1,805,311	1,838,618	33,307	
	Authorities Fees	0	0	0	314,992	0	(314,992)	314,992	0	(314,992)	
	Direct Consultants	13,814	16,354	2,540	68,331	97,955	29,624	214,412	192,251	(22,161)	
	Clearance Bond	0	0	0	566,859	0	(566,859)	566,859	0	(566,859)	
Total Stage 8		13,814	477,731	463,917	2,682,813	1,936,573	(746,240)	2,901,574	2,030,869	(870,705)	
Stage 9	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	90,957	0	(90,957)	90,957	0	(90,957)	
	Direct Consultants	6,738	18,440	11,702	143,969	110,487	(33,481)	143,969	183,947	39,979	
Total Stage 9		6,738	18,440	11,702	234,925	110,487	(124,438)	234,925	183,947	(50,978)	
Stage 10	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	2,264	0	(2,264)	2,264	0	(2,264)	
	Direct Consultants	3,308	11,751	8,443	84,188	70,409	(13,779)	84,188	70,409	(13,779)	
Total Stage 10		3,308	11,751	8,443	86,451	70,409	(16,042)	86,451	70,409	(16,042)	
Stage 11	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	2,264	0	(2,264)	2,264	0	(2,264)	
	Direct Consultants	48,510	18,409	(30,101)	96,013	36,809	(59,204)	96,013	36,809	(59,204)	
Total Stage 11		48,510	18,409	(30,101)	98,276	36,809	(61,467)	98,276	36,809	(61,467)	
Stage 9	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	9,371	0	(9,371)	18,054	0	(18,054)	35,418	0	(35,418)	
Total Stage 9		9,371	0	(9,371)	18,054	0	(18,054)	35,418	0	(35,418)	
Stage 10	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	0	0	0	2,894	0	(2,894)	11,576	0	(11,576)	
Total Stage 9		0	0	0	2,894	0	(2,894)	11,576	0	(11,576)	
Stage 11	Siteworks / Earthworks	0	0	0	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	0	0	0	
	Direct Consultants	2,894	0	(2,894)	5,788	0	(5,788)	17,364	0	(17,364)	
Total Stage 11		2,894	0	(2,894)	5,788	0	(5,788)	17,364	0	(17,364)	
Total Lot Production		167,087	1,827,520	1,660,433	8,388,173	8,751,324	363,150	31,308,600	33,359,160	2,050,560	Within budget
Stage 7 Landscaping	Landscape Construction	0	35,757	35,757	0	35,757	35,757	0	35,757	35,757	
	Landscape Consulting	0	0	0	0	4,969	4,969	0	4,969	4,969	
Stage 8 Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	0	
	Landscape Consulting	0	8,402	8,402	13,000	8,402	(4,598)	16,000	8,402	(7,598)	Within total Lanscaping budget
Stage 9 Landscaping Aviator Blvd Greenlink	Landscape Construction	0	0	0	46,475	0	(46,475)	46,475	0	(46,475)	
	Landscape Consulting	0	0	0	1,500	0	(1,500)	1,500	0	(1,500)	
Stage 10 POS (10.1)	Landscape Consulting	0	0	0	0	0	0	3,000	0	(3,000)	

Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013		Actual MTD Vs Budget Dec 2013			Year to date Vs Budget to Dec 2013			Project to date Vs Budget to Dec 2013			Comments regarding variance
Job Description	Account Description	Actual 1 month to Dec 2013	Budget 1 month to Dec 2013	Variance	YTD to Dec 2013	YTD budget	Variance	PTD to Dec 2013	PTD budget	Variance	
Stage 11 Landscape Consultancy	Landscape Consulting	0	0	0	5,000	0	(5,000)	5,000	0	(5,000)	
Stage 8 Landscaping Verge Landscaping Lot 475	Landscape Consulting	0	520	520	0	520	520	0	520	520	
Stage 8 Landscaping Street Trees / Streetscapes	Landscape Consulting	0	1,938	1,938	0	1,938	1,938	0	1,938	1,938	
Stage 10 Bore, Pump & Electrics (10.2)	Landscape Consulting	0	718	718	0	1,434	1,434	0	1,434	1,434	
Stage 10 Biodiversity Conservation Area - South	Landscape Consulting	0	728	728	0	1,455	1,455	0	1,455	1,455	
Preliminary Landscaping Consultancy	Landscape Construction	0	0	0	0	0	0	0	0	0	
	Landscape Consulting	0	0	0	850	0	(850)	41,320	40,470	(850)	
Northern Biodiversity Conservation Area	Landscape Construction	0	86,228	86,228	0	258,039	258,039	49,695	307,734	258,039	
	Landscape Consulting	0	0	0	10,000	10,730	730	10,000	21,379	11,379	
Neerabup Road Verge Treatment - West	Landscape Construction	0	0	0	15,625	0	(15,625)	776,076	850,070	73,994	
	Landscape Consulting	0	0	0	0	0	0	47,056	59,525	12,469	
Streescapes Stg 2 Consultancy	Landscape Construction	0	60,382	60,382	0	180,696	180,696	0	180,696	180,696	
	Landscape Consulting	0	0	0	0	0	0	0	12,370	12,370	
Neerabup Road Verge Treatment - East	Landscape Construction	144,032	0	(144,032)	144,032	325,755	181,723	144,032	325,755	181,723	
	Landscape Consulting	0	0	0	5,000	0	(5,000)	18,355	22,503	4,148	
Neerabup Entry Statement	Landscape Construction	0	0	0	0	0	0	85,532	133,081	47,549	
	Landscape Consulting	0	0	0	1,927	3,144	1,217	1,927	9,384	7,457	
Public Open Space 1	Landscape Construction	0	0	0	0	2,699	2,699	369,509	377,566	8,057	
	Landscape Consulting	0	0	0	0	0	0	46,158	54,472	8,315	
Public Open Space - Lot 8009	Landscape Construction	0	63,896	63,896	0	191,209	191,209	0	191,209	191,209	
	Landscape Consulting	0	0	0	2,000	3,313	1,313	2,000	13,202	11,202	
Sales Centre Landscaping	Landscape Construction	0	0	0	0	0	0	1,700	1,700	0	
	Landscape Consulting	0	0	0	0	3,553	3,553	0	3,553	3,553	
Streetscape To Stage 1	Landscape Construction	23,250	0	(23,250)	31,250	16,897	(14,353)	31,250	50,439	19,189	
	Landscape Consulting	0	0	0	0	0	0	0	3,518	3,518	
Public Open Space - Lot 8007	Landscape Construction	0	0	0	0	1,138,323	1,138,323	44,715	1,183,038	1,138,323	
	Landscape Consulting	450	0	(450)	16,450	0	(16,450)	73,430	81,716	8,286	
Irrigation System	Landscape Construction	0	0	0	2,925	0	(2,925)	76,010	73,085	(2,925)	
	Landscape Consulting	0	0	0	500	0	(500)	4,550	750	(3,800)	
Public Art	Landscape Construction	0	54,340	54,340	0	54,340	54,340	0	54,340	54,340	
	Landscape Consulting	0	0	0	0	6,261	6,261	0	18,736	18,736	
Streetscape To Stage 3	Landscape Consulting	0	0	0	0	0	0	0	5,536	5,536	
	Landscape Construction	19,199	0	(19,199)	24,442	80,078	55,635	24,442	80,078	55,635	
Streetscape To Stage 4	Landscape Construction	0	0	0	0	53,823	53,823	0	53,823	53,823	
	Landscape Consulting	0	0	0	0	0	0	0	3,721	3,721	
Aviator Blvd Greenlink (5.2)	Landscape Construction	0	29,426	29,426	0	29,426	29,426	0	29,426	29,426	
	Landscape Consulting	0	0	0	900	6,118	5,218	900	6,118	5,218	
Neerabup Road Verge Treatment Stg4	Landscape Construction	0	0	0	156,211	156,211	0	156,211	156,211	0	
	Landscape Consulting	0	0	0	500	0	(500)	8,000	10,792	2,792	
Neerabup Road Verge Treatment Stg5	Landscape Construction	76,281	54,058	(22,223)	100,673	161,770	61,097	100,673	161,770	61,097	
	Landscape Consulting	0	0	0	0	0	0	10,000	13,610	3,610	
Public Open Space Stage 6	Landscape Construction	3,823	14,277	10,454	23,195	42,724	19,530	23,195	42,724	19,530	
	Landscape Consulting	0	0	0	2,760	2,281	(479)	2,760	9,662	6,902	
Sales Centre Landscaping Stg 2	Landscape Construction	0	0	0	0	152,645	152,645	0	152,645	152,645	
	Landscape Consulting	0	0	0	1,000	0	(1,000)	1,000	10,553	9,553	
Public Access Way 2.1	Landscape Construction	0	0	0	9,232	157,637	148,405	9,232	157,637	148,405	
	Landscape Consulting	0	0	0	4,380	0	(4,380)	4,380	10,925	6,545	
Aviator Blvd Entry Stmt	Landscape Construction	0	246,068	246,068	0	246,068	246,068	0	246,068	246,068	
	Landscape Consulting	0	0	0	0	11,341	11,341	0	33,937	33,937	
Roundabout	Landscape Construction	0	0	0	0	0	0	0	30,150	30,150	
	Landscape Consulting	0	0	0	600	2,137	1,537	600	2,137	1,537	
Southern Carpark Landscaping	Landscape Construction	0	34,176	34,176	0	102,273	102,273	0	102,273	102,273	
	Landscape Consulting	0	0	0	0	0	0	0	7,053	7,053	
Lot 1 Group Housing Site	Landscape Construction	0	0	0	0	0	0	0	49,872	49,872	
	Landscape Consulting	0	0	0	0	0	0	0	3,482	3,482	

Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013		Actual MTD Vs Budget Dec 2013			Year to date Vs Budget to Dec 2013			Project to date Vs Budget to Dec 2013			Comments regarding variance	
Job Description	Account Description	Actual 1 month to Dec 2013	Budget 1 month to Dec 2013	Variance	YTD to Dec 2013	YTD budget	Variance	PTD to Dec 2013	PTD budget	Variance		
Fauna Relocation	Landscape Construction	0	1,709	1,709	8,850	10,189	1,339	8,850	10,189	1,339	↓ Within budget	
	Landscape Consulting	0	0	0	0	0	0	0	1,409	1,409		
Total Landscaping		267,034	692,623	425,588	629,277	3,464,151	2,834,875	2,245,533	5,516,566	3,271,032		
CONSTRUCTION continued												
Planning - indirect	Planning	21,083	18,250	(2,833)	149,487	236,594	87,107	701,208	839,544	138,337	↓ Within budget	
	Architect	0	854	854	0	5,095	5,095	0	5,095	5,095		
	Environmental	3,840	6,113	2,273	21,882	51,754	29,873	110,670	152,814	42,144		
	Geotechnical	0	1,872	1,872	0	13,548	13,548	0	17,870	17,870		
	Title - Survey & Legal fees	0	3,333	3,333	9,500	20,000	10,500	14,465	31,303	16,838		
	Engineering fees	0	0	0	0	0	0	0	0	0		
	Traffic planning	0	3,000	3,000	1,100	18,000	16,900	25,995	52,895	26,900		
	Planning - Hydrology	930	0	(930)	13,698	25,314	11,616	50,450	75,014	24,564		
	Planning - Sustainability	0	0	0	1,845	25,409	23,564	26,805	50,369	23,564		
Total Indirect Consultants		25,853	36,841	10,987	197,512	416,093	218,580	929,593	1,245,282	315,689		
Cell C4 West Pedestrian Underpasses	Elizabeth St Pt 1	0	0	0	0	0	0	0	0	0		↓ Timing variance, within total budget
Marmion relocation services		0	0	0	0	0	0	258,588	453,384	194,796		
Marmion relocation services		0	0	0	9,141	0	(9,141)	45,703	36,563	(9,141)		
Marmion Avenue South Drive Intersection	Elizabeth St Pt 2	0	0	0	0	0	0	0	0	0		
Marmion Avenue South Drive Intersection		0	0	0	0	0	0	0	0	0		
Neerabup Road Key Largo Intersection		0	0	0	0	0	0	874,913	974,127	99,214		
Neerabup Road Key Largo Intersection Eng		0	0	0	0	0	0	54,024	60,169	6,145		
EPBC Offset - foraging		0	0	0	0	0	0	490,000	493,684	3,684		
EPBC Offset - foraging		0	0	0	0	0	0	0	0	0		
Gravity Sewer		55,971	1,282	(54,689)	581,784	1,006,473	424,689	601,274	1,646,338	1,045,063		
Gravity Sewer Engineering		2,120	83	(2,037)	20,144	7,799	(12,345)	99,718	106,100	6,381		
Marmion Avenue Green Link Intersection		418,363	470,632	52,270	1,258,529	2,806,247	1,547,717	1,528,299	3,064,835	1,536,535		
Marmion Avenue Green Link Intersection Eng		0	33,463	33,463	114,213	199,532	85,319	114,213	199,532	85,319		
Waste Water Pump Station (West)		0	19,041	19,041	0	19,041	19,041	0	19,041	19,041		
Total Infrastructure		476,454	524,501	48,048	1,983,811	4,039,092	2,055,281	4,066,733	7,053,772	2,987,038		
GHS R60 Stage 7		0	0	0	2,811	0	(2,811)	4,313	0	(4,313)	↓ Timing variance, within total budget	
GHS R60 Stage 4		0	0	0	0	0	0	3,812	0	(3,812)		
Sales Office Building		0	50,167	50,167	142,889	299,134	156,245	143,649	383,650	240,001		
Sales Office Carparks		900	0	(900)	3,269	243,319	240,050	3,269	243,319	240,050		
Temp Sales office services		0	0	0	0	0	0	0	70,115	70,115		
Total Special Sites & Fixed Assets		900	50,167	49,267	148,969	542,452	393,484	155,042	697,085	542,042		
Total Construction		937,328	3,131,652	2,194,324	11,347,741	17,213,112	5,865,370	38,705,502	47,871,864	9,166,362		
Land		0	0	0	0	0	0	0	0	0		
PROFIT & LOSS EXPENDITURE												
Sales & Marketing	Brand Development	0	2,649	2,649	15,516	15,793	277	63,846	81,064	17,218	↓ Within budget	
	Sales Office & Builder Rel.	0	3,759	3,759	150	22,416	22,266	77,037	110,268	33,230		
	Brochures	0	6,664	6,664	3,715	39,738	36,023	67,957	112,651	44,694		
	Advertising	2,074	8,758	6,683	19,132	52,219	33,088	196,981	222,830	25,850		
	Signage	0	15,379	15,379	4,386	91,702	87,316	109,000	337,210	228,210		
	Website	356	179	(176)	712	1,070	358	6,463	7,446	983		
	Promotions	0	4,272	4,272	5,000	30,473	25,473	20,907	53,733	32,826		
	Public Relations	0	854	854	0	5,095	5,095	0	14,037	14,037		
	Comm Dev - Resident Dev	0	7,083	7,083	4,380	42,500	38,120	8,095	66,500	58,405		
	Sales & Mktg Contingency	0	2,126	2,126	0	12,675	12,675	0	12,675	12,675		
Total Sales and Marketing		2,430	51,724	49,294	52,991	313,681	260,690	550,284	1,018,413	468,129		
Adminstration	Audit and Tax	6,600	0	(6,600)	7,095	15,264	8,169	141,878	98,363	(43,515)	↓ Within total Administration budget	
	Cleaning	327	513	185	1,137	3,057	1,919	1,137	5,069	3,932		
	Computer Costs	0	513	513	0	3,057	3,057	0	3,120	3,120		

Catalina Actual vs Budget Analysis

Tamala Park feasibility cashflow FY 2013		Actual MTD Vs Budget Dec 2013			Year to date Vs Budget to Dec 2013			Project to date Vs Budget to Dec 2013			Comments regarding variance	
Job Description	Account Description	Actual 1 month to Dec 2013	Budget 1 month to Dec 2013	Variance	YTD to Dec 2013	YTD budget	Variance	PTD to Dec 2013	PTD budget	Variance		
	Couriers	28	513	484	100	3,057	2,957	988	5,576	4,587	↓ Within budget	
	Electricity & Gas	(293)	513	806	365	3,057	2,692	3,052	3,885	833		
	Insurance	0	513	513	0	3,057	3,057	0	3,057	3,057		
	Legal fees	3,110	854	(2,256)	11,270	5,093	(6,177)	114,102	118,985	4,882		
	Licenses & Fees	0	513	513	0	3,057	3,057	-80	3,364	3,444		
	Postage, Print & Stationery	0	2,013	2,013	178	34,057	33,879	1,889	32,322	30,433		
	Rent - Temp Sales Office	1,000	0	(1,000)	5,000	0	(5,000)	14,000	0	(14,000)		
	Rent - Carpark lots	6,738	5,500	(1,238)	40,250	11,000	(29,250)	56,044	38,500	(17,544)		
	Sundry Office Expenses	0	2,051	2,051	0	12,227	12,227	875	14,242	13,367		
	Telephone	0	513	513	0	3,057	3,057	0	3,057	3,057		
	Travel & Accommodation	0	0	0	0	0	0	0	8	8		
	Valuations	3,200	2,990	(210)	12,545	17,831	5,286	32,273	44,998	12,725		
	Rates & Taxes	2,640	0	(2,640)	27,046	242,116	215,069	130,431	366,133	235,702		
	Maintenance	1,618	30,758	29,140	14,161	159,777	145,617	24,372	189,910	165,538		
	Security	0	5,126	5,126	0	30,567	30,567	15,920	51,757	35,837		
Total Administration		24,968	52,881	27,913	119,147	549,329	430,182	536,882	982,343	445,462		
Finance	Bank Charges - Comm Bills	0	0	0	0	0	0	0	15,000	15,000		
	Bank Charges - G'tees	0	0	0	0	0	0	0	0	0		
	Bank Charges - General	0	0	0	0	0	0	0	0	0		
Finance	Interest - Comm Bills	0	0	0	0	25,000	25,000	0	50,000	50,000		
	Interest - General	0	0	0	0	0	0	0	0	0		
	Sttlmt Clearing	0	0	0	0	0	0	0	0	0		
	Contingency	9,754	129,073	119,319	(12,873)	870,816	883,689	286,694	1,577,481	1,290,787		
Total Finance		9,754	129,073	119,319	(12,873)	895,816	908,689	286,694	1,642,481	1,355,787		
Total P&L Expenditure		37,152	233,678	196,526	159,265	1,758,826	1,599,561	1,373,860	3,643,238	2,269,378	Within budget	
Grand Expense Total		974,480	3,365,331	2,390,851	11,507,007	18,971,938	7,464,931	40,079,362	51,515,102	11,435,740	Within budget	

CATALINA - FINANCE REPORT

1.0 Management Accounts - December 2013

1.1 KEY STATISTICS

	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
		June 2013		June 2013		June 2013		June 2013
Prior Years	220	232	270	285	195	177	-	-
Jul-2013	-	-	24	5	6	30	-	-
Aug-2013	14	-	(1)	3	3	13	-	-
Sep-2013	-	63	29	19	16	4	-	-
Sep-12 Qtr	14	63	52	27	25	47	-	-
Oct-2013	63	-	22	22	6	6	-	4,000,000
Nov-2013	-	-	4	16	58	54	-	-
Dec-2013	-	-	(2)	20	5	5	-	-
Dec-12 Qtr	63	-	24	58	69	65	-	4,000,000
Jan-2014	-	-	-	9	-	2	-	-
Feb-2014	-	53	-	23	-	2	-	-
Mar-2014	-	-	-	19	-	20	-	-
Mar-13 Qtr	-	53	-	51	-	24	-	-
Apr-2014	-	10	-	20	-	21	-	4,000,000
May-2014	-	70	-	17	-	13	-	-
Jun-2014	-	-	-	15	-	36	-	-
Jun-13 Qtr	-	80	-	52	-	70	-	4,000,000
Full 2013/14 Year	77	196	76	188	94	206	-	8,000,000
PTD	297	295	346	370	289	289	-	4,000,000
* The following numbers reflect the latest budget update								
2014/15		193		222		234		14,000,000
2015/16		253		200		168		18,000,000

- 5 lots settled in December 2013. The total settlements comprise of 1 lot each from Stages 2 & 4; and 3 lots from stage 7.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
- Sales #	(2)	20	76	85	346	370
- Sales \$	(414,500)	4,611,158	17,342,500	19,207,960	76,091,500	81,088,071
- Sales \$/lot	207,250	230,558	228,191	225,976	219,918	219,157
- Settlements #	5	5	94	112	289	289
- Settlements \$	1,030,000	1,052,716	19,572,500	23,851,379	62,798,500	62,713,933
- Settlements \$/lot	206,000	210,543	208,218	212,959	217,296	217,003
- Spec. Site Sales #	-	-	-	-	-	-
- Spec. Site Sales \$	-	(0)	-	(0)	-	(0)
- Spec Site Sales \$/lot	-	-	-	-	-	-
- Spec. Site Stlmts #	-	-	-	-	-	-
- Spec. Site Stlmts \$	-	(0)	-	(0)	-	(0)
- Spec Site Stlmts \$/lot	-	-	-	-	-	-
- Unsettled sales #	57		{ Unconditional 2 }		Titled	
- Unsettled sales \$	13,293,000		{ Conditional 55 }		297	
- Unsettled sales \$/lot	233,211					

CATALINA - FINANCE REPORT

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u>	<u>Variance</u>
Revenue	1,030,000	1,052,716	(22,716)
Margin GST	(7,818)	(91,216)	83,398
Direct selling costs	(46,497)	(47,793)	1,296
Interest Income	1,046	-	1,046
Forfeited Deposits	-	-	-
Rebate Allowance	(112,328)	(48,937)	(63,391)
	<u>864,404</u>	<u>864,770</u>	<u>(366)</u>
<i>Development costs</i>			
Lot production	167,087	1,827,520	1,660,433
Landscaping	267,034	692,623	425,588
Consultants	25,853	36,841	10,987
Infrastructure	476,454	524,501	48,048
Sales office building	900	50,167	49,267
Sales & marketing	2,430	51,724	49,294
Administration	24,968	52,881	27,913
Finance	9,754	129,073	119,319
	<u>974,480</u>	<u>3,365,331</u>	<u>2,390,851</u>
Cashflow	<u>(110,077)</u>	<u>(2,500,561)</u>	<u>2,390,484</u>

- Actual margin scheme GST has been calculated under the concessional Item 4 basis for settlements.

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Variance</u>
Revenue	19,572,500	23,851,379	(4,278,879)
Margin GST	(262,310)	(2,067,829)	1,805,519
Direct selling costs	(882,466)	(1,082,335)	199,869
Interest Income	9,869	-	9,869
Forfeited Deposits	-	-	-
Rebate Allowance	(259,600)	(633,813)	374,213
	<u>18,177,994</u>	<u>20,067,403</u>	<u>(1,889,409)</u>
<i>Development costs</i>			
Lot production	8,388,173	8,751,324	363,150
Landscaping	629,277	3,464,151	2,834,875
Consultants	197,512	416,093	218,580
Infrastructure	1,983,811	4,039,092	2,055,281
Sales office building	148,969	542,452	393,484
Sales & marketing	52,991	313,681	260,690
Administration	119,147	549,329	430,182
Finance	(12,873)	895,816	908,689
	<u>11,507,007</u>	<u>18,971,938</u>	<u>7,464,931</u>
Cashflow	<u>6,670,987</u>	<u>1,095,464</u>	<u>5,575,523</u>

The YTD revenue variance comprises:

- \$4.3m unfavourable to budget on 18 less residential settlements than YTD budget for FY2014 (Period to date this was offset by favourable outcome in FY2013).

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	589,904	1,041,529	1,041,529
	<u>589,904</u>	<u>1,041,529</u>	<u>1,041,529</u>

Bonds relate to Stage 2, 5, 7 & 8 early clearances

CATALINA - FINANCE REPORT
2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
- Revenue \$ (Stlmnts)	1,030,000	1,052,716	(22,716)	19,572,500	23,851,381	(4,278,881)	62,798,500	62,713,935
- Revenue \$/lot	206,000	210,543		208,218	212,959		217,296	217,003
- Selling & GST \$	121,834	191,226	69,392	2,189,346	4,595,304	2,405,957	6,807,486	9,559,027
- Selling & GST \$/lot	24,367	38,245		23,291	41,029		23,555	33,076
- Cost of sales \$	489,624	479,113	(10,511)	8,743,671	11,096,761	2,353,090	31,528,018	32,198,251
- Cost of sales \$/lot	97,925	95,823		93,018	99,078		109,093	111,413
- Gross profit \$	418,543	382,377	36,165	8,639,483	8,159,316	480,166	24,462,996	20,956,657
- Gross profit \$/lot	83,709	76,475		91,909	72,851		84,647	72,514
- Gross profit Mgn %	40.64%	36.32%		44.14%	34.21%		38.95%	33.42%
- Special Sites \$	-	-	-	-	-	-	-	-
- Other income \$	1,046	-	1,046	9,869	-	9,869	35,039	3,546
- Sales & Marketing \$	2,634	51,838	49,204	38,791	314,360	275,569	556,350	993,637
- Administration \$	24,598	74,563	49,965	154,002	422,026	268,024	676,480	815,267
- Finance \$	-	-	-	-	25,000	25,000	-	65,000
- Contingency \$	-	131,274	131,274	20,364	885,917	865,553	20,364	1,329,110
- Net profit \$	392,357	124,702	267,655	8,436,195	6,512,013	1,924,181	23,244,841	17,757,189
- Net profit \$/lot	78,471	24,940		89,747	58,143		80,432	61,444

Gross profit is \$0.5m ahead of budget due to adverse YTD settlements (\$4.3m or 18 lots below budget) being favourably offset by the application of the concessional Item 4 of the GST Margin Scheme and favourable lot production costs of \$6k/lot and less lots settled than budget.

FY14 YTD net profit is favourable against budget by \$1.9m, mainly due to unused contingency budget of \$0.9m, unused marketing budget of \$0.3m and unused Admin budget of \$0.3m adding to the gross profit variance of \$0.5m.

CATALINA - FINANCE REPORT

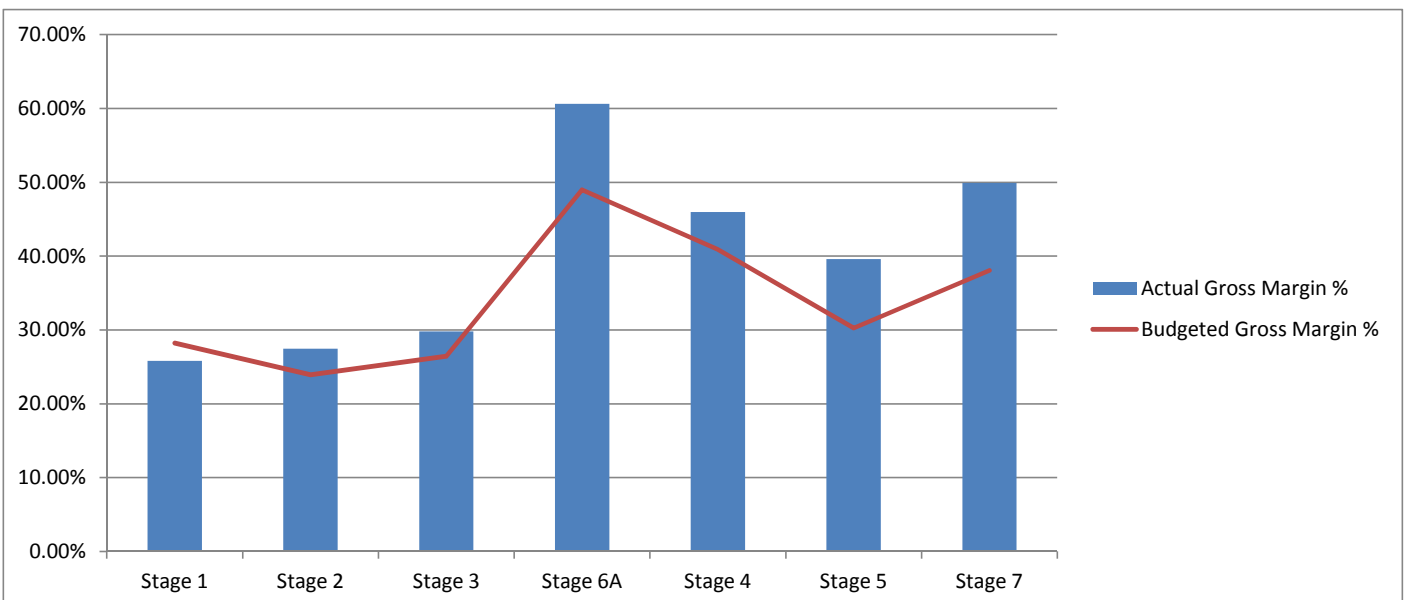
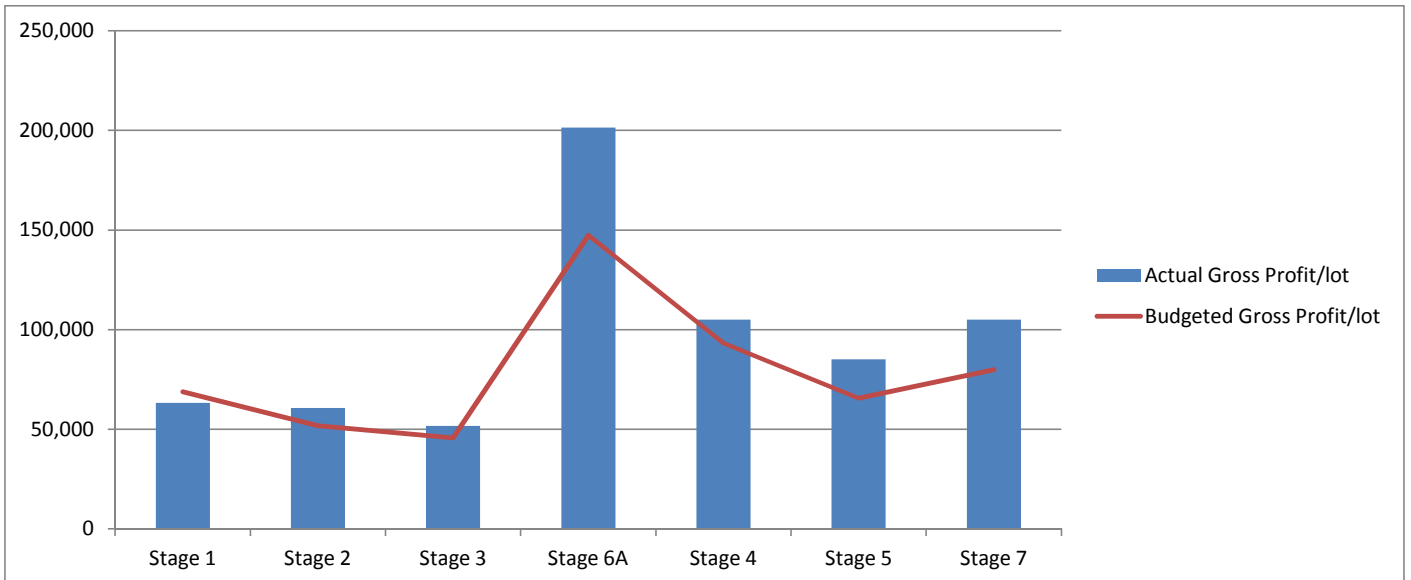
2.1 GROSS PROFIT ANALYSIS

Actual

Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Actual Gross	Actual Gross	Actual Gross
				Profit	Profit/lot		Margin %		
Stage 1	17-Oct-12	8,558,000	244,514	6,347,237	181,350	2,210,763	63,165	25.83%	
Stage 2	7-Nov-12	7,957,500	221,042	5,772,300	160,342	2,185,200	60,700	27.46%	
Stage 3	14-Jan-13	7,465,000	173,605	5,240,653	121,876	2,224,347	51,729	29.80%	
Stage 6A	18-Jan-13	2,325,000	332,143	915,043	130,720	1,409,957	201,422	60.64%	
Stage 4	20-Mar-13	10,746,000	228,638	5,808,279	123,580	4,937,721	105,058	45.95%	
Stage 5	20-May-13	13,112,000	214,951	7,921,794	129,865	5,190,206	85,085	39.58%	
Stage 7	31-Oct-13	12,635,000	210,583	6,330,197	105,503	6,304,803	105,080	49.90%	
		<u>62,798,500</u>		<u>38,335,504</u>		<u>24,462,996</u>			

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Budgeted	Budgeted	Budgeted
				Gross Profit	Gross Profit/lot		Gross Margin %		
Stage 1	May-12	8,531,000	243,743	6,122,735	174,935	2,408,265	68,808	28.23%	
Stage 2	May-12	8,223,999	216,421	6,255,430	164,617	1,968,569	51,804	23.94%	
Stage 3	May-12	7,417,500	172,500	5,455,644	126,875	1,961,856	45,625	26.45%	
Stage 6A	May-12	2,405,291	300,661	1,226,975	153,372	1,178,316	147,290	48.99%	
Stage 4	May-12	10,714,354	227,965	6,331,008	134,702	4,383,346	93,263	40.91%	
Stage 5	May-12	14,066,809	216,412	9,808,883	150,906	4,257,926	65,507	30.27%	
Stage 7	Jun-13	13,205,000	209,603	8,178,150	129,812	5,026,850	79,791	38.07%	
		<u>64,563,953</u>		<u>43,378,825</u>		<u>21,185,128</u>			



Catalina

Finished Lots & Cost of Lots Sold calculations to 31 December 13

Title date:	17-Oct-12	7-Nov-12	14-Jan-13	18-Jan-13	20-Mar-13	20-May-13	31-Oct-13	TOTAL
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Stage 6A</u>	<u>Stage 4</u>	<u>Stage 5</u>	<u>Stage 7</u>	
Direct costs								
Civil Contruction	3,360,854	3,402,538	2,762,121	402,383	2,729,832	3,471,220	2,250,460	
Sewer headwks	201,112	215,092	228,091	47,151	258,492	337,806	348,434	
Local authority fees	46,680	165,796	65,034	20,047	72,017	113,908	77,473	
Local authority scheme costs	94,499	102,782	116,608	22,771	127,854	178,372	177,726	
Survey & legal fees	57,728	38,096	44,076	8,039	67,161	61,761	61,349	
Engineering fees	214,866	211,164	161,999	66,069	165,461	332,802	234,419	
	3,975,739	4,135,468	3,377,929	566,460	3,420,817	4,495,869	3,149,861	
Excls Stg 1-4,6	423,192	459,466	519,922	96,730	568,287			
Excls Stg 5 & 7						1,315,851	1,174,774	
Indirect Costs								
Land	-	-	-	-	-	-	-	
Infrastructure	282,435	272,271	245,570	79,632	354,719	401,840	389,562	
Landscape	355,008	342,232	308,671	100,093	445,866	566,228	548,927	
TOTAL COST	5,036,374	5,209,437	4,452,092	842,915	4,789,689	6,779,788	5,263,123	
Lots	35	38	43	8	47	63	63	
COST PER LOT	143,896	137,090	103,537	105,364	101,908	107,616	83,542	
Lots settled	35	36	43	7	47	61	60	289
COST OF LOTS SETTLED	5,036,374	4,935,256	4,452,092	737,551	4,789,689	6,564,557	5,012,498	31,528,017
Other cash expenditure								
Direct Selling & Proj Mgt Costs								6,807,486
Marketing costs								556,350
Administration								676,480
Finance								0
Contingency								20,364
TOTAL COSTS								39,588,697
PERIODIC ANALYSIS	Month	YTD	PTD	PriorYr Jun-13				
Lots settled	5	94	289	195				
Cost of lots settled	489,624	8,743,671	31,528,017	22,784,346				
Direct selling costs	121,834	2,189,346	6,807,486	4,618,140				
Marketing costs	2,634	38,791	556,350	517,558				
Administration	24,598	154,002	676,480	522,478				
Finance	0	0	-	-				
Contingency	0	20,364	20,364	-				
TOTAL COSTS	638,689	11,146,175	39,588,697	28,442,522				

Catalina COGS Calc

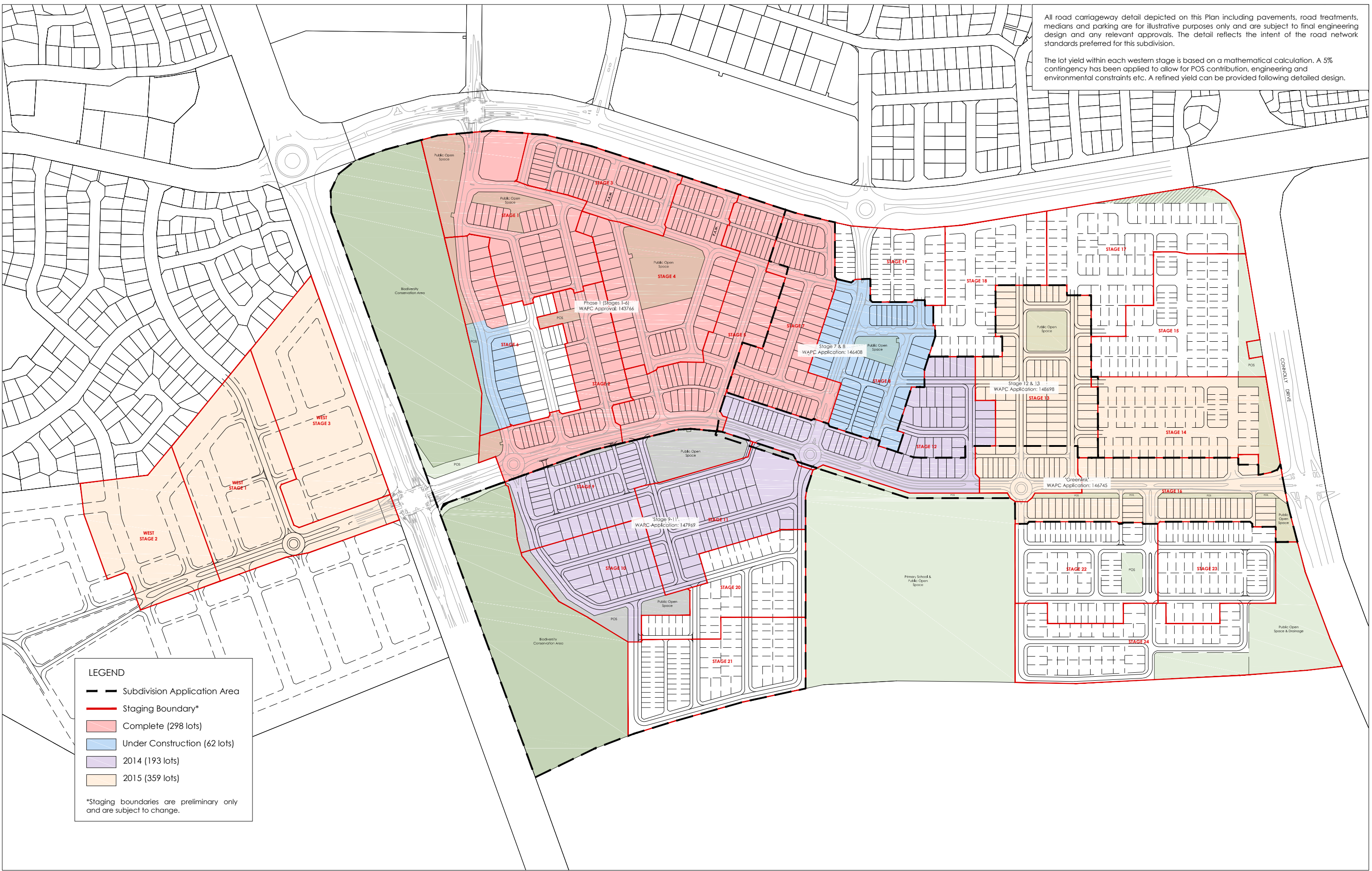
31-Dec-13

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #						Finished	
						Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Goods	FG/Lot
140-01-001	17/10/2012	4,398,931.85	637,442.76	5,036,374.61	35	35	-	143,896	35	5,036,374.61	-	-
140-01-002	7/11/2012	4,594,933.80	614,503.50	5,209,437.30	38	38	-	137,090	36	4,935,256.39	274,180.91	137,090
140-01-003	14/01/2013	3,897,851.21	554,241.20	4,452,092.41	43	43	-	103,537	43	4,452,092.41	-	-
140-01-004	20/03/2013	3,989,104.11	800,584.62	4,789,688.73	47	47	-	101,908	47	4,789,688.73	-	-
140-01-005	20/05/2013	5,811,720.23	968,067.67	6,779,787.90	63	63	-	107,616	61	6,564,556.54	215,231.36	107,616
140-01-06A	18/01/2013	663,189.91	179,725.17	842,915.08	8	8	-	105,364	7	737,550.70	105,364.39	105,364
140-01-007	31/10/2013	4,324,634.73	938,488.34	5,263,123.07	63	63	-	83,542	60	5,012,498.16	250,624.91	83,542
		27,680,365.84	4,693,053.26	32,373,419.10	297	297	-	112,019	289	31,528,017.53	845,401.57	105,675

Appendix 9.5

All road carriageway detail depicted on this Plan including pavements, road treatments, medians and parking are for illustrative purposes only and are subject to final engineering design and any relevant approvals. The detail reflects the intent of the road network standards preferred for this subdivision.

The lot yield within each western stage is based on a mathematical calculation. A 5% contingency has been applied to allow for POS contribution, engineering and environmental constraints etc. A refined yield can be provided following detailed design.



LEGEND

- Subdivision Application Area
- Staging Boundary*
- Complete (298 lots)
- Under Construction (62 lots)
- 2014 (193 lots)
- 2015 (359 lots)

*Staging boundaries are preliminary only and are subject to change.



STAGING AND CONSTRUCTION
 Catalina Estate, Tamala Park
 City of Wanneroo



plan no: 2228-242-01
 scale: 1:5000 @ A3
 date: 31.10.2013

T: (+618) 9382 1233 F: (+618) 9382 1127
 E: admin@cleplan.com.au
 www.cleplan.com.au
 L2-36 ROWLAND STREET SUBIACO WA 6008
 PO BOX 796 SUBIACO WA 6904

This plan is current at the revised date & subject to approval, survey & engineering detail. This plan remains the property of CLE ©

Appendix 9.6



Tamala Park Regional Council - Compliance Audit Return Regional Local Government 2013

Commercial Enterprises by Local Governments						
No	Reference	Question	Response	Comments	Respondent	
1	s3.59(2)(a)(b)(c) Functions & General Regulation 7,9	Has the local government prepared a business plan for each major trading undertaking in 2013.	N/A		Tony Arias	
2	s3.59(2)(a)(b)(c) Functions & General Regulation 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2013.	N/A		Tony Arias	
3	s3.59(2)(a)(b)(c) Functions & General Regulation 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2013.	N/A		Tony Arias	
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2013.	N/A		Tony Arias	
5	s3.59(5)	Did the Council, during 2013, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Tony Arias	

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Delegation of Power / Duty						
No	Reference	Question	Response	Comments	Respondent	
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	Yes		Tony Arias	
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	Yes		Tony Arias	
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	Yes		Tony Arias	
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	Yes		Tony Arias	
5	s5.18	Has Council reviewed delegations to its committees in the 2012/2013 financial year.	Yes		Tony Arias	
6	s5.42(1),5.43 Administration Regulation 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		Tony Arias	
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Tony Arias	
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes	Delegation Register	Tony Arias	
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes	Delegation Register	Tony Arias	
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	Yes		Tony Arias	
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Tony Arias	
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2012/2013 financial year.	Yes		Tony Arias	
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	Yes		Tony Arias	

Disclosure of Interest						
No	Reference	Question	Response	Comments	Respondent	
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	N/A	No disclosure of interest during audit period.	Tony Arias	
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	N/A		Tony Arias	



No	Reference	Question	Response	Comments	Respondent
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Tony Arias
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	Yes		Tony Arias
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	N/A	No new designated employees during audit period.	Tony Arias
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2013.	Yes		Tony Arias
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2013.	Yes		Tony Arias
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes		Tony Arias
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Tony Arias
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	Yes		Tony Arias
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		Tony Arias
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		Tony Arias
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Tony Arias
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	Yes		Tony Arias



No	Reference	Question	Response	Comments	Respondent
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes		Tony Arias
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Tony Arias

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was any property that was not disposed of by public auction or tender, given local public notice prior to disposal (except where excluded by Section 3.58(5)).	Yes		Tony Arias
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property.	Yes		Tony Arias

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes		Tony Arias
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A		Tony Arias
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Tony Arias
4	s7.3	Was the person(s) appointed by the local government to be its auditor, an approved auditor.	Yes		Tony Arias
5	S7.3, s7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		Tony Arias
6	s7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken by the local government, was that action undertaken.	N/A		Tony Arias



No	Reference	Question	Response	Comments	Respondent
7	s7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	N/A		Tony Arias
8	s7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A		Tony Arias
9	A Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Tony Arias
10	A Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Tony Arias
11	A Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Tony Arias
12	A Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		Tony Arias
13	A Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		Tony Arias
14	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2013 received by the local government within 30 days of completion of the audit.	Yes		Tony Arias
15	s7.9(1)	Was the Auditor's report for 2012/2013 received by the local government by 31 December 2013.	Yes		Tony Arias



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position was advertised.	N/A	No appointment during audit period.	Tony Arias
2	s5.36(4), 5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s5.36(4), s5.37(3) and Admin Reg 18A.	N/A		Tony Arias
3	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A	No appointments or dismissals during audit period.	Tony Arias
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	N/A		Tony Arias
5	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A		Tony Arias

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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A	CEO is complaints officer	Tony Arias
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes		Tony Arias
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		Tony Arias
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		Tony Arias
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes		Tony Arias
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) (c).	Yes		Tony Arias

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	Yes		Tony Arias
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	Yes		Tony Arias
3	F&G Reg 14(1)	Did the local government invite tenders via Statewide public notice.	Yes		Tony Arias
4	F&G Reg 14, 15 & 16	Did the local government's advertising and tender documentation comply with F&G Regs 14,15 & 16.	Yes		Tony Arias



No	Reference	Question	Response	Comments	Respondent
5	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Yes		Tony Arias
6	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes		Tony Arias
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	Yes		Tony Arias
8	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes		Tony Arias
9	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	Yes		Tony Arias
10	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	Yes		Tony Arias
11	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	Yes		Tony Arias
12	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	Yes		Tony Arias
13	F&G Reg 24E	Where the local government gave regional price preference in relation to a tender process, did the local government comply with requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A	No regional preference considered during audit period.	Tony Arias
14	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$100,000 or less.	Yes		Tony Arias
15	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	Yes		Tony Arias

Appendix 9.7

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
BY PROGRAM
FOR THE PERIOD ENDING 31 DECEMBER 2013**

	2013-14 ADOPTED BUDGET	2013-14 REVISED BUDGET	2013-14 YTD ACTUAL	VARIANCE		VARIANCE %
				FAVOURABLE	UNFAVOURABLE	
REVENUE	\$	\$	\$	\$	\$	%
General Purpose Funding	711,090	815,000	386,744	103,910		14.6%
Other Property and Services	1,890	4,635	4,636	2,745		145.2%
	712,980	819,635	391,380			
LESS EXPENDITURE						
Governance	(160,750)	(160,750)	(57,509)			
Other Property & Services	(1,071,114)	(1,075,848)	(386,556)		(4,734)	0.44%
	(1,231,864)	(1,236,598)	(444,065)			
Increase(Decrease)	(518,884)	(416,963)	(52,685)			
ADD						
Depreciation Written Back	20,489	20,489	0			
	20,489	20,489	0			
Sub Total	(498,395)	(396,474)	(52,685)			
LESS CAPITAL PROGRAMME						
Purchase Plant and Equipment	(6,000)	(4,970)	(4,970)	1,030		17.2%
	(6,000)	(4,970)	(4,970)			
LESS MEMBERS EQUITY						
Development of Land for Resale						
Income Sale of Lots -Subdivision	45,640,484	42,636,436	19,304,958		(3,004,048)	-6.58%
Income Other -Subdivision	634,349	577,847	10,076		(56,502)	-8.91%
Development Costs	(45,800,319)	(40,587,583)	(12,865,869)	5,212,736		11.4%
Contribution Refund	(400,000)	(400,000)	(220,404)			
Contribution Returned	(10,000,000)	(10,000,000)	(4,000,000)			
	(9,925,486)	(7,773,300)	2,228,761			
Sub Total	(10,429,881)	(8,174,744)	\$2,171,106			
Opening Funds	26,069,508	26,068,417	26,068,417		(1,091)	-0.004%
	26,069,508	26,068,417	26,068,417			
Net Surplus /(Deficit)	15,639,627	17,893,673	28,239,523	5,320,421	(3,066,375)	

2,254,046

\$2,254,046

**TAMALA PARK REGIONAL COUNCIL
SURPLUS/(DEFICIT)
BY PROGRAM**

	2013-14 ADOPTED BUDGET	2013-14 REVISED BUDGET	2013-14 YTD ACTUAL
	\$	\$	\$
TOTAL OF OPERATING AND CAPITAL REVENUE AND EXPENDITURE	(10,450,370)	(8,195,233)	2,170,806
ADD DEPRECIATION WRITTEN BACK	20,489	20,489	0
ADD SURPLUS BROUGHT FORWARD	\$26,069,508	\$26,068,417	\$26,068,417
LESS SURPLUS CARRIED FORWARD	(15,639,627)	(17,893,673)	(28,239,223)
RATES LEVIED	0	0	0

NOTE 1

**TAMALA PARK REGIONAL COUNCIL
CLOSING FUNDS
BY PROGRAM**

	2013-14 ADOPTED BUDGET	2013-14 REVISED BUDGET	2013-14 YTD ACTUAL
	\$	\$	\$
CURRENT ASSETS			
Cash on Hand	30	30	30
Cash at Bank	15,589,015	17,843,061	28,013,297
Trade and Other Receivables	400,000	400,000	520,099
Total Current Assets	15,989,045	18,243,091	28,533,426
LESS CURRENT LIABILITIES			
Provisions	(149,418)	(149,418)	(109,418)
Trade and Other Payables	(200,000)	(200,000)	(184,485)
Total Current Liabilities	(349,418)	(349,418)	(293,903)
NET CURRENT ASSETS	15,639,627	17,893,673	28,239,523
SURPLUS OF CURRENT ASSETS OVER LIABILITIES	\$15,639,627	\$17,893,673	\$28,239,523

NOTE 2 2013-14 ADOPTED BUDGET HAS NOT BEEN AMENDED SINCE ADOPTION

TAMAL PARK REGIONAL COUNCIL
BUDGET REVIEW
2013-14

Analysis as at 31 December 2013

	YTD Actual to 31/12/2013	YTD Budget to 31/12/2013	Annual Budget 2013/14	Projected Estimates to 30/06/2014	Variance Projected Estimates to Budget \$	Variance Projected Estimates as % of the Budget
Income - Operating						
I03 - GENERAL PURPOSE FUNDING						
I032 - Other GPF						
I032030 - Interest on Investment	386,744.46	398,212.00	711,090.00	815,000.00	103,910.00	14.61%
Total I032 - Other GPF	386,744.46	398,212.00	711,090.00	815,000.00	103,910.00	14.61%
Total I03 - GENERAL PURPOSE FUNDING	386,744.46	398,212.00	711,090.00	815,000.00	103,910.00	14.61%
I14 - OTHER PROPERTY & SERVICES						
I145 - Administration						
I145010 - Reimbursements	4,635.22	0.00	1,890.00	4,635.00	2,745.00	145.24%
Total I145 - Administration	4,635.22	0.00	1,890.00	4,635.00	2,745.00	145.24%
Total I14 - OTHER PROPERTY & SERVICES	4,635.22	0.00	1,890.00	4,635.00	2,745.00	145.24%
Total Income - Operating	391,379.68	398,212.00	712,980.00	819,635.00	106,655.00	14.96%
Expense - Operating						
E04 - GOVERNANCE.						
E041 - Membership						
E041005 - Chairman Allowance	-7,918.00	-9,500.00	-19,000.00	-19,000.00	0.00	0.00%
E041010 - Deputy Chair Allowance	-1,754.00	-2,376.00	-4,750.00	-4,750.00	0.00	0.00%
E041018 - Composite Allowance	-47,836.66	-62,500.00	-125,000.00	-125,000.00	0.00	0.00%
E041019 - Alternate Member Meeting Allowa	0.00	-1,000.00	-2,000.00	-2,000.00	0.00	0.00%
E041020 - Conference Expenses	0.00	0.00	0.00	0.00	0.00	0.00%
E041030 - Other Costs	0.00	-4,900.00	-10,000.00	-10,000.00	0.00	0.00%
Total E041 - Membership	-57,508.66	-80,276.00	-160,750.00	-160,750.00	0.00	0.00%
Total E04 - GOVERNANCE.	-57,508.66	-80,276.00	-160,750.00	-160,750.00	0.00	0.00%
E14 - ADMINISTRATION						
E145 - Administration						
E145005 - Salaries - Basic Costs	-240,124.17	-279,300.00	-570,000.00	-570,000.00	0.00	0.00%
E145007 - Salaries Occ. Superannuation	-20,406.86	-19,845.00	-40,500.00	-40,500.00	0.00	0.00%
E145009 - Salaries WALGS Superannuation	0.00	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145011 - Advertising Staff Vacancies	-490.00	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145013 - Fringe Benefits Tax	0.00	0.00	0.00	0.00	0.00	0.00%
E145015 - Insurance W/comp.	-12,341.10	-13,575.00	-13,575.00	-13,575.00	0.00	0.00%
E145017 - Medical Exam. Costs	0.00	0.00	-200.00	-200.00	0.00	0.00%
E145019 - Staff Training & Dev.	0.00	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145020 - Conference Expenses CEO	-4,230.88	-4,900.00	-10,000.00	-10,000.00	0.00	0.00%
E145021 - Telephone - Staff Reimbursement	-330.45	-343.00	-700.00	-700.00	0.00	0.00%
E145024 - Travel Expenses CEO	-607.58	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145025 - Other Accom & Property Costs	-16,204.92	-12,250.00	-25,000.00	-28,000.00	-3,000.00	12.00%
E145027 - Advertising General	-547.68	-4,900.00	-10,000.00	-10,000.00	0.00	0.00%
E145029 - Advertising Public/Statutory	-13,447.08	-7,350.00	-15,000.00	-15,000.00	0.00	0.00%
E145031 - Graphics Consumables	0.00	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145033 - Photocopying	0.00	-1,225.00	-2,500.00	-2,500.00	0.00	0.00%
E145037 - Postage, Courier & Freight	-381.31	-588.00	-1,200.00	-1,200.00	0.00	0.00%
E145039 - Printing	-41.60	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145043 - Stationery	-399.98	-980.00	-2,000.00	-2,000.00	0.00	0.00%
E145045 - Other Admin Expenses	-4,605.43	-4,900.00	-10,000.00	-10,000.00	0.00	0.00%
E145047 - Office Telephones & Faxes	-231.47	-1,470.00	-3,000.00	-3,000.00	0.00	0.00%
E145049 - Mobil Phones, Pages, Radios	-769.50	-980.00	-2,000.00	-2,000.00	0.00	0.00%
E145053 - Bank Charges	-552.19	-735.00	-1,500.00	-1,500.00	0.00	0.00%
E145055 - Credit Charges	-41.25	-98.00	-200.00	-200.00	0.00	0.00%
E145056 - Interest on Overdraft	-1,733.71	0.00	0.00	-1,734.00	-1,734.00	0.00%
E145057 - Audit Fees	5,950.00	-7,350.00	-15,000.00	-15,000.00	0.00	0.00%
E145059 - Membership Fees	-2,393.80	-3,701.00	-7,550.00	-7,550.00	0.00	0.00%
E145061 - Legal Expenses (General)	-3,027.50	-14,700.00	-30,000.00	-30,000.00	0.00	0.00%
E145069 - Valuation Fees	0.00	-14,700.00	-30,000.00	-30,000.00	0.00	0.00%
E145075 - Promotions	0.00	-7,350.00	-15,000.00	-15,000.00	0.00	0.00%
E145077 - Business Hospitality Expenses	-665.75	-980.00	-2,000.00	-2,000.00	0.00	0.00%

E145082 · Lawyers	-21,641.08	-14,700.00	-30,000.00	-30,000.00	0.00	0.00%
E145083 · Research	-2,525.00	-14,700.00	-30,000.00	-30,000.00	0.00	0.00%
E145086 · Probity Auditor	-803.50	-9,800.00	-20,000.00	-20,000.00	0.00	0.00%
E145087 · Computer Software Mtce	-635.45	-1,470.00	-3,000.00	-3,000.00	0.00	0.00%
E145088 · Accounting Management	-21,314.00	-24,500.00	-50,000.00	-50,000.00	0.00	0.00%
E145089 · Computer Software Purchase	-452.68	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145091 · Computer Sundries	-13.62	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145092 · Data Communication Links	-4,454.55	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145093 · Internet Provider Costs	-2,700.00	-2,940.00	-6,000.00	-6,000.00	0.00	0.00%
E145094 · Plant & Equipment Purchase Non-	0.00	-490.00	-1,000.00	-1,000.00	0.00	0.00%
E145095 · Furniture & Equipment Purchase	-857.25	-1,470.00	-3,000.00	-3,000.00	0.00	0.00%
E145098 · Fringe Benefit Tax MotorVehicle	-762.00	-4,900.00	-10,000.00	-10,000.00	0.00	0.00%
E145099 · Vehicle Operating Expense	-2,646.98	-7,350.00	-15,000.00	-15,000.00	0.00	0.00%
E145100 · Safety Clothes and Equipment	0.00	-490.00	-1,000.00	-1,000.00	0.00	0.00%
E145101 · Consumable Stores	-248.34	-490.00	-1,000.00	-1,000.00	0.00	0.00%
E145109 · Parking Expenses	-160.53	-147.00	-300.00	-300.00	0.00	0.00%
E145111 · Plans	0.00	-735.00	-1,500.00	-1,500.00	0.00	0.00%
E145113 · Emergency Services	0.00	-4,900.00	-10,000.00	-10,000.00	0.00	0.00%
E145117 · Electricity	0.00	-2,450.00	-5,000.00	-5,000.00	0.00	0.00%
E145121 · Insurance - Public Liability	-4,044.58	-5,000.00	-5,000.00	-5,000.00	0.00	0.00%
E145123 · Insurance - Property (ISR)	-1,711.98	-1,900.00	-1,900.00	-1,900.00	0.00	0.00%
E145126 · Insurance - Personal Accident	-3,960.00	-5,000.00	-5,000.00	-5,000.00	0.00	0.00%
E145222 · Depreciation Furniture_office E	0.00	-10,039.00	-20,489.00	-20,489.00	0.00	0.00%
Total E145 · Administration	-386,555.75	-537,741.00	-1,071,114.00	-1,075,848.00	-4,734.00	0.44%
Total E14 · ADMINISTRATION	-386,555.75	-537,741.00	-1,071,114.00	-1,075,848.00	-4,734.00	0.44%
Total Expenses - Operating	-444,064.41	-618,017.00	-1,231,864.00	-1,236,598.00	-4,734.00	0.38%
Income - Members Equity						
I · INCOME SUBDIVISION						
I145011 · Income Sale on Lots	19,304,958.44	23,851,380.00	45,640,484.00	42,636,436.00	-3,004,048.00	-6.58%
I145012 · Income Other	10,075.59	0.00	634,349.00	577,847.00	-56,502.00	-8.91%
I145013 · Reimburse - Dev Costs Members	0.00	0.00	0.00	0.00	0.00	0.00%
Total I · INCOME MEMBERS EQUITY	19,315,034.03	23,851,380.00	46,274,833.00	43,214,283.00	-3,060,550.00	-6.61%
Expense - Members Equity						
E · EXPENSE DEVELOPMENT OF LAND FOR RESALE						
E24 · CONSULTANT EXPENSE						
E145079 · Consultancy						
E145400 · Structure Planning						
E145413 · Structure Plan Modification	0.00	0.00	0.00	0.00	0.00	0.00%
Total E145400 · Structure Planning	0.00	0.00	0.00	0.00	0.00	0.00%
E145440 · Env Innovation Consultancies						
E145441 · Sustainability Assessment Syst	0.00	-9,600.00	-20,000.00	-20,000.00	0.00	0.00%
E145447 · Graceful Sun Moth Survey	0.00	0.00	0.00	0.00	0.00	0.00%
E145448 · EPBC Act Management	0.00	-7,500.00	-15,000.00	-15,000.00	0.00	0.00%
Total E145440 · Env Innovation Consultancies	0.00	-17,100.00	-35,000.00	-35,000.00	0.00	0.00%
E145450 · Admin-Operational Consultancies						
E145451 · GST management	-16,080.00	-9,600.00	-20,000.00	-20,000.00	0.00	0.00%
E145452 · Recruitment_Human Resources	-2,000.00	-2,400.00	-5,000.00	-5,000.00	0.00	0.00%
E145453 · GST Margin Scheme Consultancy	-6,600.40	-19,992.00	-40,000.00	-40,000.00	0.00	0.00%
Total E145450 · Admin-Operational Consultancies	-24,680.40	-31,992.00	-65,000.00	-65,000.00	0.00	0.00%
E145079 · Consultancy - Other	0.00	0.00	0.00	0.00	0.00	0.00%
Total E145079 · Consultancy	-24,680.40	-49,092.00	-100,000.00	-100,000.00	0.00	0.00%
E34 · PROPERTY DEVELOPMENT- SERVICES						
E345 · Property Admin & Approvals						
E145041 · Signage/Decals	0.00	-2,400.00	-5,000.00	-5,000.00	0.00	100.00%
E145042 · Branding/Marketing	0.00	-4,800.00	-10,000.00	-10,000.00	0.00	100.00%
Total E345 · Property Admin & Approvals	0.00	-7,200.00	-15,000.00	-15,000.00	0.00	2.00
E346 · Mtce Services - Land						
E145204 · Fences/Walls	0.00	-29,988.00	-60,000.00	-60,000.00	0.00	0.00%
E145206 · Mtce Services - Land - Other	0.00	-4,998.00	-10,000.00	-10,000.00	0.00	0.00%
E145216 · Direct Selling Expenses	-1,261,760.69	-3,783,977.00	-7,976,213.00	-5,079,258.00	2,896,955.00	-36.32%
E145218 · Sales and Marketing	-36,778.58	-266,181.00	-536,379.00	-450,333.00	86,046.00	-16.04%
Total E346 · Mtce Services - Land	-1,298,539.27	-4,085,144.00	-8,582,592.00	-5,599,591.00	2,983,001.00	-34.76%
E347 · Land Development Costs						
E145207 · Land & Special Sites Developmen	-148,968.97	-542,451.00	-992,353.00	-857,311.00	135,042.00	-13.61%
E145208 · Consultants	-183,149.24	-416,093.00	-804,192.00	-912,558.00	-108,366.00	13.48%
E145209 · Landscape	-672,219.14	-3,603,643.00	-4,660,312.00	-3,865,094.00	795,218.00	-17.06%

E145210 · Infrastructure	-1,427,792.92	-4,851,739.00	-4,975,251.00	-4,361,483.00	613,768.00	-12.34%
E145211 · Lot Production	-7,294,236.72	-7,247,473.00	-17,310,090.00	-15,079,047.00	2,231,043.00	-12.89%
E145212 · Administration (Land Developmen	-130,940.16	-549,330.00	-869,035.00	-750,567.00	118,468.00	-13.63%
E145213 · Community Development	-1,620.00	-42,498.00	-140,000.00	-83,947.00	56,053.00	-40.04%
E145214 · Contingency	0.00	-870,817.00	-1,672,926.00	-1,364,555.00	308,371.00	-18.43%
E145215 · Precinct 1 Bulk Earthworks	-1,683,722.65	-1,688,367.00	-4,962,362.00	-6,353,273.00	-1,390,911.00	28.03%
E145219 · Land Develop - Finance	0.00	-686,563.00	-716,206.00	-1,245,157.00	-528,951.00	73.85%
Total E347 · Land Development Costs	-11,542,649.80	-20,498,974.00	-37,102,727.00	-34,872,992.00	2,229,735.00	-6.01%
TotalE · EXPENSE MEMBERS EQUITY	-12,865,869.47	-24,640,410.00	-45,800,319.00	-40,587,583.00	5,212,736.00	-11.38%
Net Income	6,396,479.83	-1,008,835.00	-44,370.00	2,209,737.00	2,254,107.00	-5080.25%
Other Items						
Contribution Refund	-220,404.20	0.00	-400,000.00	-400,000.00	0.00	0.00%
Capital Returns	-4,000,000.00	-4,000,000.00	-10,000,000.00	-10,000,000.00	0.00	0.00%
Capital Expenditure - Photocopier	-4,970.00	0.00	-6,000.00	-4,970.00	1,030.00	-17.17%
Depreciation Written Back	0.00	10,240.00	20,489.00	20,489.00	0.00	0.00%
Opening Surplus	26,068,417.00	26,069,508.00	26,069,508.00	26,068,417.00	-1,091.00	0.00%
Closing Net Surplus/ Deficit	28,239,522.63	21,070,913.00	15,639,627.00	17,893,673.00	2,254,046.00	14.41%

2,254,046.00

Appendix 9.8

4 February 2014

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Dear Tony

Re: CATALINA: STAGES 12 - 13 – Bulk Earthworks Recommendation

We are pleased to provide the following recommendation in relation to the appointment of a bulk earthworks contractor to stages 12 and 13 within the Catalina estate. Stages 12 and 13 will prepare 138 lots north of Aviator Boulevard for civil construction with a future primary school abutting this precinct. A small pocket park will be constructed in Stage 13.

Background

In June 2013 RJ Vincent were awarded a 2 year earthworks contract for Catalina. The award included provision of a fixed schedule of rates for a period of 2 years. RJ Vincent has completed stages 1 - 11 earthworks and to date their performance on site has met expectations in terms of timeliness, resources and quality.

Investigations by the project team led to amending the conservation areas in the north-east of the central cell to facilitate a more efficient lot layout design and centralise the bio diversity conservation areas. One impact from consolidating the conservation areas is an amendment to our bulk earthworks strategy, resulting in bringing forward earthworks in the central cell. The amendment to the earthworks strategy results in:

- the overall profitability of the project increasing in the order of \$1 million;
- an additional yield of approximately 21 lots across the project;
- an additional yield of 26 residential lots in stages 12 & 13. This yield is offset by five less lots in the balance of the development, where the SEWPaC conservation area has been consolidated;
- an improved environmental outcome through the retention of higher quality vegetation in a regular shape and consolidated location;
- an improved and more efficient urban design.

On this basis Cossill and Webley as project engineers have sought a price from RJ Vincent to undertake stage 12 and 13 bulk earthworks containing 138 lots within the Catalina estate. (Attached)

Pricing

RJ Vincent has submitted a price of \$1,603,713.48 (excluding GST). The budget for stages 12 and 13 bulk earthworks as approved by TPRC council in June 2013 is \$1,196,096 (including 5% project contingency). The price submitted by RJ Vincent is \$407,617 over budget, based on June 2013 figures. The reason for the price being above budget is due to the revised earthworks strategy and amended scope of works detailed within the Background heading above.

The December budget review increased the earthworks budget to \$1,627,937 to reflect the revised earthworks strategy. Both the June 2013 approved budget and the December 2013 budget review assumed a commencement date of January 2014.

The tender includes a maximum guaranteed amount for excavation of rock, assuming 100% of rock will be encountered during excavation. If the extent of rock is less than 100%, savings will be made against the contract sum.

The bulk earthwork period for stages 12 and 13 has been set for 12 weeks. Based on an award date of 7 February 2014, allowing two weeks to mobilise equipment, the works will be completed by the end of May 2014.

The reconciliation below provides an accurate reflection of the value of current works against the FY14 project budget:

Scope of Works	FY 14 Budget	Forecast	Variance
Stage 5 Civil / Sewer Ext (including 5% contingency)	\$5,485,205	\$3,837,596	\$1,647,609
Stage 7 Civil (including 5% contingency)	\$2,879,121	\$2,170,326	\$708,795
Stage 8 Civil (including 5% contingency)	\$2,903,077	\$2,364,495	\$538,582
Stage 8 Earthworks (including 5% contingency)	\$1,522,732	\$1,260,517	\$262,215
Stages 9-11 Earthworks (including 5% contingency)	\$3,079,700	\$4,067,537	(\$997,837)
Stage 9 Civil (including 5% contingency)	\$3,306,563	\$2,604,088	\$702,475
Stage 10 Civil (including 5% contingency)	\$2,209,786	\$1,349,523	\$860,263
TOTAL	\$21,386,184	\$17,654,082	\$3,732,102

Forecast contract values are current as at 15 January 2014.

Recommendation

To date stages 1 - 8 have sold out including the stage 2 display village release. 11 lots within the Stage 9 builder's release remain unsold. The stage 10 release (30 lots) was held on 1 February 2014 with 37 registrations received and 25 lots allocated to individual purchasers showing there is sound demand for lots at Catalina. It is recommended that approval be granted to award the Stages 12 and 13 earthworks contract, to provide lots to be released to the market in June 2014 in accordance with the June 2013 approved FYE2014 budget.

RJ Vincent has performed well in terms of timeliness, resources and quality and it is recommended to award them the Catalina Stages 12 and 13 earthworks contract for the value of \$1,603,713.48 (excluding GST).

Should you require any further clarification please contact the undersigned.

Yours sincerely



Brenton Downing
Project Director

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431 Roberts Road
Subiaco WA 6008
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Subiaco WA 6904
T (08) 9422 5800
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E admin@cosweb.com.au



23rd January 2014

Tamala Park Regional Council
c/- Satterley Property Group
18 Bowman Street
SOUTH PERTH WA 6151

Attention: Mr Aaron Grant

Dear Aaron

RE: CATALINA STAGES 12 and 13 EARTHWORKS PRICING

RJ Vincent & Co. (RJV) was requested to submit a price for the earthworks for Stages 12 and 13 at Catalina Estate as documented for construction consisting of 138 lots. The stage consists of areas of cut and fill, with an excess cut volume of approximately 16,500m³. If this excess cut material is sand it is proposed to be stockpiled for future use in the central cell. If it is rock, then it is proposed to be stockpiled within the eastern cell for future use.

RJV submitted their revised price on 14th January 2014 for the sum of **\$1,603,713.48** excluding GST. A copy of their submission is attached.

To reduce the risk to TPRC regarding the cost of excavation works in rock which cannot be accurately quantified at the time of pricing, RJ Vincent has calculated guaranteed maximum quantities for a number of items, as was done for previous earthworks and civil works contracts. The Maximum Guaranteed Provisional Sum items that have been allowed for are:

<u>Description</u>	<u>Amount</u>
Item 1.13.2: Extra over for seeded hydromulch	\$4,000.00
Item 1.13.3: Extra over for green dye in hydromulch	\$800.00
Item 2.6.2: Cut sand from existing stockpile to fill	\$84,800.00
Item 2.6.4: Extra over cost to cart material across Connolly Drive	\$128,100.00
Item 2.7.1: Cut 500mm rock below finished surface	\$127,500.00
Item 2.7.2: Rip cut areas in rock 0.5m below	\$25,500.00
Item 2.7.3: Cut sand from site, place and compact	\$108,000.00
Item 2.7.4: Over excavate sand from from site and topdress	\$198,000.00
Item 2.7.5: Over excavate sand to stockpile	\$170,940.00
Item 2.7.6: Cut from stockpile to top-dress	<u>\$108,000.00</u>
TOTAL	\$955,640.00

With regards to the above items, we note the following:

- Items 1.13.2 and 1.13.3 will be dependent on the hydromulch type to be applied and area. Based on previous stages it is likely Item 1.13.2 will not be required.
- Items 2.6.2 and 2.6.4 relate to the situation where there is excess rock sourced from these earthworks and the excess material needs to be placed east of Connolly Drive. The guaranteed maximum quantities allowed assume there is rock throughout this phase of earthworks which is not what is expected to be encountered. The estimates are considered

conservative. RJV have also noted in their tender their intention is to utilise rock in deeper fill areas where possible and conserve sand onsite.

- Items 2.7.1 to 2.7.6 have been calculated as worst case figures by RJ Vincent for the amount of rock to be encountered in this stage. The actual amounts cannot be determined until works are undertaken but the estimates are considered conservative.

RJV have assumed that rock will be present in all cut areas within Stages 12 and 13. Subject to no changes in the scope of works, this is the worst case scenario. The actual extent of rock encountered on site can be surveyed to determine the amount of these items to be awarded. This method has been adopted for previous earthworks and civil works stages and is currently proving successful. Based on recent works in the vicinity of these stages, it is expected that areas of sand will be encountered.

A number of Provisional Sums have also been allowed in the tender. These are:

<u>Description</u>	<u>Amount</u>
Item 2.3: Transport mulch from stockpile to 1km away	\$14,250.00
Item 2.5.3: Respread topsoil from stockpile on site	\$16,800.00
Item 2.11.1: Compaction testing and preparation of geotech report	\$10,000.00
Item 2.11.2: Site classification report	<u>\$10,000.00</u>
TOTAL	\$51,050.00

With regards to the above items, we note that Items 2.3 and 2.5b are unable to accurately be priced at this stage as they are dependent on landscape advice as to where this material is to be placed and the quantities that are required. There is no allowance to remove either mulch or topsoil from site and therefore it is assumed to be re-used on site at some stage.

With regards to the Stages 12 and 13 earthworks price, the following points are noted:

- We have undertaken an initial check of the quantities used and the values are within normal industry tolerances.
- We have checked the rates used to ensure that they are in accordance with the original tender or recent pricing.
- Item 2.5.3 (spreading of topsoil) was not a rate in the original tender. We have checked and found that this rate is comparable to that used on other projects and previous stages.
- The rate for Item 2.6.4 matches the rate used in the Stages 9 to 11 earthworks contract, despite the smaller volume in the Stages 12 and 13 earthworks package.
- RJV have made an allowance for wind fencing around the western and northern boundaries of this stage. TPRC has indicated that it may be appropriate to fence between the boundary of Stage 14 and Stages 7 and 8 as part of this package of works. Whilst this hasn't been allowed for, it is anticipated that there is sufficient funds within other Provisional Sum items to accommodate this cost.
- RJV has nominated a construction period of 14 weeks to complete Stages 12 and 13 earthworks based on the assumption that full maximum guaranteed quantities are utilised. Our office suggests that based on the likely extent of rock encountered that this should be reduced to a maximum of 12 weeks.

The OPC of August 2013 for Stages 12 and 13 earthworks was calculated prior to detailed engineering drawings being prepared. The OPC adopted an amount of \$1,530,000 (excluding GST). It is noted the price submitted by RJV is approximately \$74,000 greater than the OPC amount.

The major cost difference between the OPC and the price relates to the amount allowed for rock. With the information available at this time the exact amount of rock to be encountered is unknown and will not be determined until the excavation works are undertaken. However, on site it has been noted that as the construction front heads further east, less rock has been encountered. If as expected less rock is encountered than the maximum guaranteed quantities, then the final cost is anticipated to be less than the OPC.

In addition to this, the area of earthworks required for Stages 12 and 13 has increased from the time the OPC was prepared to allow for the earthworking of the southern portion of future Stage 15.

Taking into consideration the above points, it is suggested that RJ Vincent be awarded the contract for Stages 12 and 13 earthworks for the sum of **\$1,603,713.48 excluding GST**, allowing the Guaranteed Maximum Provisional Sums for rock with the actual amount awarded for payment subject to survey and the items based on weekly rates to be paid based on the extent of rock material encountered.

We await your instructions with regards to awarding the Stages 12 and 13 earthworks contract.

Yours faithfully
COSSILL & WEBLEY PTY LTD

A handwritten signature in blue ink, appearing to read 'N Butson', written over a faint blue line.

NATHAN BUTSON
Associate

Appendix 9.9

CATALINA

STRATEGIC MARKETING PLAN

(DECEMBER 2013 - REVIEW)



Satterley Team

Brenton Downing – Project Director
Aaron Grant – Development Manager
Anthea Halliday – Marketing Manager
Hollie Tucker – Project Marketing Manager

Marketforce Team

John Driscoll - Chairman
Evan Murie - Account Director



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EXECUTIVE SUMMARY

This document outlines the marketing strategy for the Catalina land development project owned by Tamala Park Regional Council (TPRC) and being project managed and marketed by Satterley Property Group.

This plan is a culmination of inputs developed by the project team and as a requirement of the SPG KPIs, a review has been undertaken in December 2013 to align the plan with the 2014 development of the project, sales and marketing strategies.

Consideration was given to the following in the preparation of the marketing plan:

- Development of a draft marketing plan by the Satterley marketing team as part of the bid process;
- Review of all Satterley market intelligence collected in the northern corridor region over the past 10 years;
- Secondary research completed by both Satterley and Marketforce to uncover population estimates, competitor analysis and target market characteristics; and
- Prevailing Market conditions.

Based on the above, the project vision, brand strategy and positioning for Catalina remain in-line with the original marketing plan.

Catalina Marketing Plan Summary

Catalina Vision	Create an urban centre for choice, sustainability, community and opportunity from the land.
Catalina Values	Community Caring Connectivity Diversity
Brand Essence	A BALANCE OF LIFE AND LIVING
Core Purpose	Deliver a 2,350 dwelling community and sound commercial return balanced with social development goals of the TPRC.

Critical Success Factors	Clearly define unique proposition	Equip the sales force with tools to achieve success	Generate awareness and preference amongst target audience	
Strategic Initiatives	Strategy Development Innovation	Define the opportunity Visual Brand	Generate Awareness Strong sales	
Activities	Market Intelligence Maintain Brand Identity Maintain Brand Identity Re-confirm Target Audience Finalise Marketing Plan	Determine 'Do-able' Innovations 	Area Targets Stationary Build Database Street Signage Sales Office Fit-Out Sales Collateral Display Village Development	Editorial Search Marketing DM/eDM Telemarketing Cross-promote DM/eDM Advertising Website

1. THE PROJECT

1.1. VISION FOR CATALINA

“CREATE AN URBAN CENTRE FOR CHOICE, SUSTAINABILITY, COMMUNITY AND OPPORTUNITY FROM THE LAND.”

Catalina will be a high quality master planned development that sets a benchmark in design, presentation and sustainability. The project will be positioned as a market leader in the Perth northern corridor leveraging its unique position of being urban infill, with strong existing community facilities in retail/shopping, health, education and transport.

Catalina will be a vibrant community offering a diverse, yet cohesive, built form aesthetic.

Betterment of the physical and social surround is paramount to the Catalina vision, including but not limited to, public art, street furniture and early beach access. This estate will provide a proud legacy for TPRC setting the benchmark in social sustainability for the northern corridor region of Perth.

By optimising marketing strategies and leveraging an enormously loyal following of referral and repeat customers, along with a very large prospective buyer database, Satterley will maximise the revenue and social benefits derived from Catalina for the Tamala Park Regional Council.

Catalina Estate

Vision – Coastal Precinct (Catalina Beach)

- A high quality beachside enclave, closer to the city, amenity and transport than other northern beaches developments.
- On the doorstep to one of the best Perth beaches and the Mindarie Marina, with it's own magnificently landscaped foreshore and beach access.
- Premium homesites set amongst a natural bushland and coastal wilderness.
- **SIMILAR TO:**
 - New Hillary's Harbourside
 - South Beach, North Coogee
 - The Bunker Bay of the Perth northern beaches



Catalina Estate

Vision – Central Precinct (Catalina Central)

- The 'heart' of the overall Catalina development
- A vibrant, active village-within-a-village, distinguished by the pristinely landscaped green link with its public art installations
- A friendly a safe place for families to raise their children, with convenient access to the Catalina Town Centre and Ocean Keys Shopping Centre for shopping and the Neerabup business centre for work
- **SIMILAR TO:**
 - The "new" Carine/Duncraig
 - An upmarket Brighton



Satterley

Catalina Estate

Vision – East Precinct (Catalina Grove)

- A leafy, modern and trendy place to live that is on the doorstep of the train station and Freeway
- Feels close to the beach and the green link access takes you directly to the foreshore
- An affordable option for singles, couples and downsizers who aspire to a quality home that is set amongst a 'real community
- **SIMILAR TO:**
 - An affordable Subi Centro (streetscapes)
 - Joondalup City North



Satterley

Catalina Estate

Overall Vision

***A classy, connected,
coastal community***



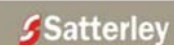
Catalina Estate

Overall Vision

“A **classy** connected coastal community”



- High quality house designs
- Pristine landscaping and a usable foreshore that makes Catalina a destination beach
- Public art
- Timeless and sophisticated look and feel
- Multiple award-winning estate that sets the benchmark for metro beachside residential communities




Catalina Estate

Overall Vision

“A classy **connected** coastal community”



- Green Link
 - Takes a pedestrian or cyclist from the train station or their home directly to the beach
- Transport
 - Train station and arterial roads in the area are very close i.e. Marmion Ave/ Connolly Dve/ Freeway
 - Bus link through Catalina from the train station through to Mindarie & Ocean Keys Shopping Centre
- Shopping/facilities
 - Ocean keys shopping Centre, Town Centre
- Employment opportunities
 - Neerabup Business Centre

 Satterley

Catalina Estate

Overall Vision

“A classy connected **coastal** community”



- Connectivity to the beach with an enjoyable walk (meandering boardwalks/shade etc) similar to Bunker Bay.
- Access to one of Perth's best beaches



 Satterley

Catalina Estate

Overall Vision

“A classy connected coastal **community**”



- Partnerships with existing local community groups
- Creation of new community groups
- Engaged/active residents association
- Regular community event schedule
- Regular communication i.e. community newsletters etc

 Satterley

Catalina Estate

Innovations

- We propose that Catalina's innovations are in 3 key areas:

1) Built form

- a) Diverse product
 - b) Standard of architecture
 - c) Innovative product offerings
 - d) Main Street Town Centre
 - e) Landmark buildings
- 1 apartments

 Satterley

Catalina Estate

Innovations

2) Landscaping

- a) Public art on Green Link and public spaces
- b) Interconnection from freeway to beach
- c) The walk to the beach to be an enjoyable experience –
Interpretative signage
Landscaped boardwalks decked with tall coastal landscape

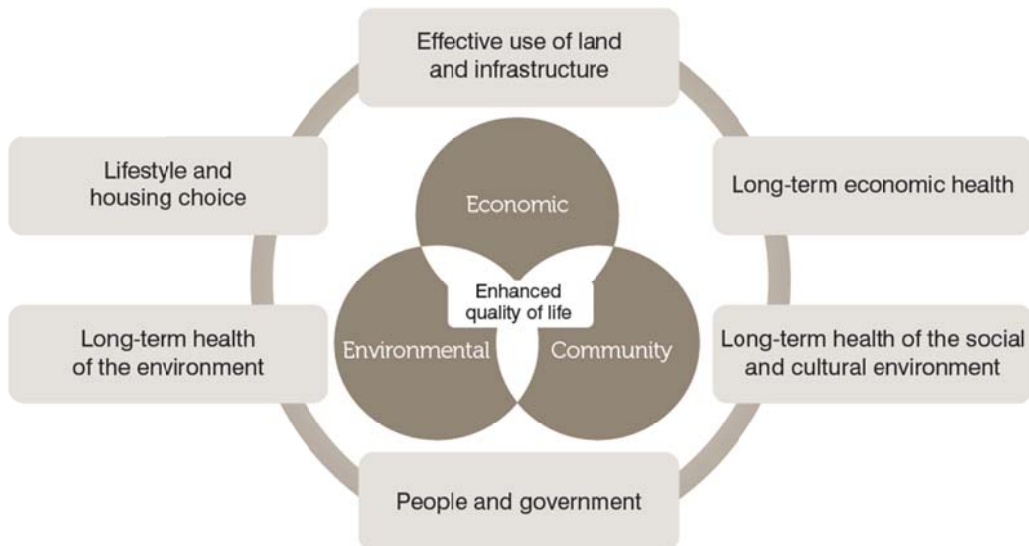
3) Community

- a) Youth Management
- b) Community Development



1.2. CATALINA MASTER PLAN

Satterley has set out six key principles, and supporting objectives and strategies, to realise the Master Plan vision. The key principles are represented below:



Catalina Master Plan



Artist impression of Green Link

1.3. FEATURES AND BENEFITS

Catalina is located 34km north of the Perth CBD and 7km west from the satellite city of Joondalup. The estate stretches between the Mitchell Freeway, northern railway line and west to the ocean. Marmion Avenue and Connolly Drive are the major arterial roads effectively dividing the estate into three distinct precincts: Western, Central and Eastern.

The Catalina estate will be built on land managed by the Tamala Park Regional Council (TPRC). TPRC is the corporate entity representing the interests of seven local governments in the urban development of 170 hectares of land in Mindarie and Clarkson.

The first stage of the development was titled in October 2012. To date, 400 lots have been released and sold. Lots will be released to meet demand over the project's expected ten-year life cycle.

Key Catalina product features (planned & proposed):

- Approximately 2,350 dwellings with a population of around 6,600 people in three planning precincts.
- Wide mix and variety of land sizes and housing options, catering for different lifestyle choices and affordability (30% cottage lots and 70% traditional lots).

- Widest product range in the area (range of lot sizes, house and land packages, completed homes, apartments, and traditional housing).
- Three activity centres; a local centre in the Western precinct, a local centre and community node in the Central precinct, and a neighbourhood centre associated with an employment node in the Eastern precinct.
- A central Green Link as a significant public transport, cycle, pedestrian and social corridor.
- Identification of a site for a primary school co-located with public open space for active recreation.
- More than 10% public open space, including significant bio-diversity conservation areas.
- Access to Mindarie Marina, Clarkson Train Station and Ocean Keys District Shopping Centre.

Innovations (planned & proposed):

- “Green link” as a corridor linking the main activities areas and providing an attractive pedestrian-friendly and cycling connection between the railway station and the beach.
- Design and style of beach access, roads and pathways.
- Public art and sculpture unfolding with various Catalina brand associations.
- Fibre to the home.
- Innovation in landscape architecture.
- Interpretative signage highlighting the local flora and fauna and history of the area.
- Shared bore scheme.
- Water sensitive front gardens
- Construction Waste Management System
- Construction of access to beach

1.4. PRICING AND PRODUCT MIX STRATEGY

- **Indicative Development Phasing Plan**



The product mix for the lots to be released is generally as follows.

Type	Product	Lots Size	Width	% total Stock
Front Loads	Traditional (R30)	510m ²	17m wide	3%
	Lifestyle (R30)	450m ²	15m wide	15%
	Compacts (R30/60)	375m ²	12.5m wide	25%
	Small	300m ²	10m wide	7%
	Squat	300m ²	15 x 20 wide	15%
Rear Loads	Cottage	300m ²	10m wide	10%
	Terrace	225m ²	7.5m wide	25%

2. CATALINA BRAND STRATEGY & POSITIONING

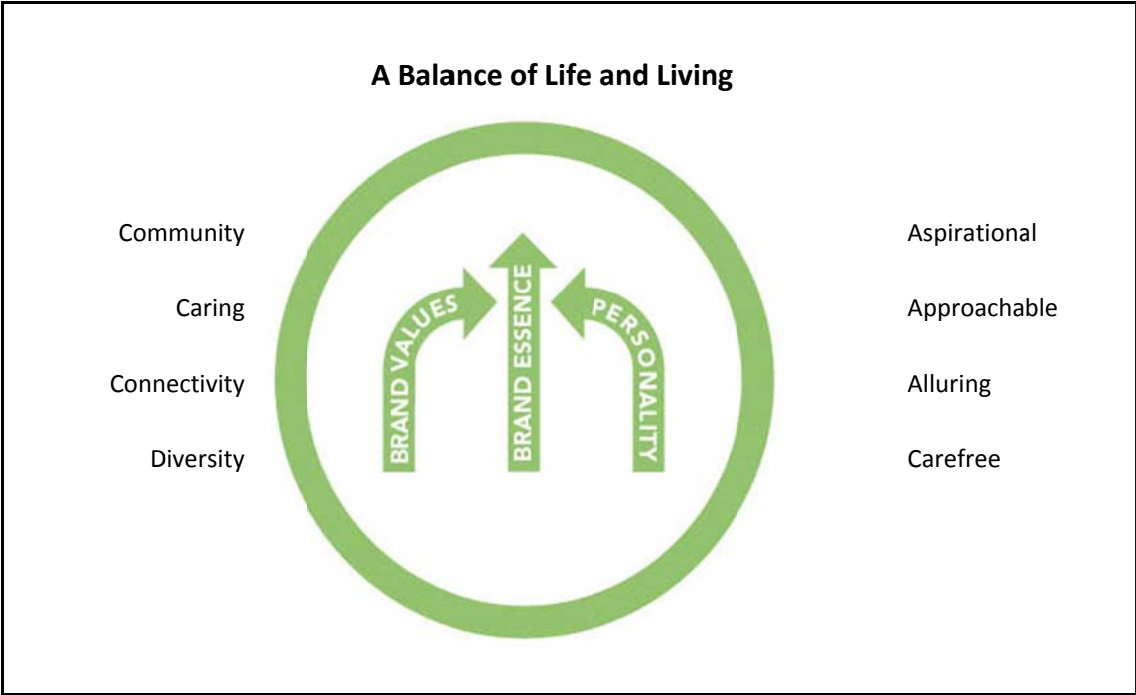
2.1. THE CATALINA BRANDMARK[®]

The BrandMark[®] is a summary of the key characteristics of the Catalina brand.

The brand values represent the core of what the project stands for. To bring them to life and make them credible, elements of these values should guide decisions about the development and underpin the content of its communications, from literature and signage to advertising and public relations.

The brand's personality attributes should guide the tone of all marketing communications, both verbally and visually.

The brand essence is the 'golden thread' for Catalina: the essential expression of the brand that is always present in the public's experience of it.






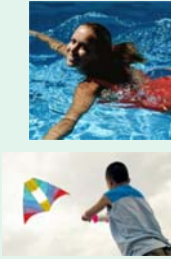




A Balance of Life and Living:

Living in Catalina encourages choice – choice to be a part of a community, to be focussed on your well-being, to be close to established shopping precincts, to be accessible to public transport, to live in close knit, collaborative community and to have access to sustainable living initiatives.

Catalina enables its residents to maintain the balance of scales; to have access to all things necessary for a busy life whilst not neglecting the time and space necessary for building families and community.

The Catalina marketing planning workshop conducted in November 2010 incorporated exercises for the Project Team to articulate the Catalina brand via the Landor Brand Matrix model. Below is a summary of the results that have informed the Catalina BrandMark[®] and brand identity.

Landor Brand Matrix¹ – Catalina Estate

<p>OBJECT</p> <p>Wide Brim Hat – elegant</p> <p>Watch – quality</p> 	<p>VEHICLE</p> <p>Vespa – affordable, retro</p> <p>Cadillac/Coupe</p> 	<p>BRAND</p> <p>Ralph Lauren – nautical</p> <p>Tag Heuer – classic, timeless</p> 
<p>ACTIVITY</p> <p>Swimming</p> <p>Walking</p> <p>Kite flying</p> 	<p>COLOUR</p> <p>Sunset colours - striking</p> <p>Red – brighter, swimsuit</p> 	<p>ANIMAL</p> <p>Sale fish – aspirational catch</p> 
<p>DRINK</p> <p>Martini – 60's, class, sophistication</p> <p>Cocktail – outdoor living</p> 	<p>PLACE</p> <p>Beach</p> <p>Monaco</p> 	<p>PERSON</p> <p>Ms Catalina/swimsuit model</p> <p>Audrey Hepburn</p> <p>Princess Grace</p> 

2.2. THE NAME

The project's name must enable the communication of the complete site context (i.e. *beach, range of housing options including medium density, transport options and convenience, green link*), have the capacity for sub-branding three geographical precincts and should be highly marketable to appeal to the target markets.



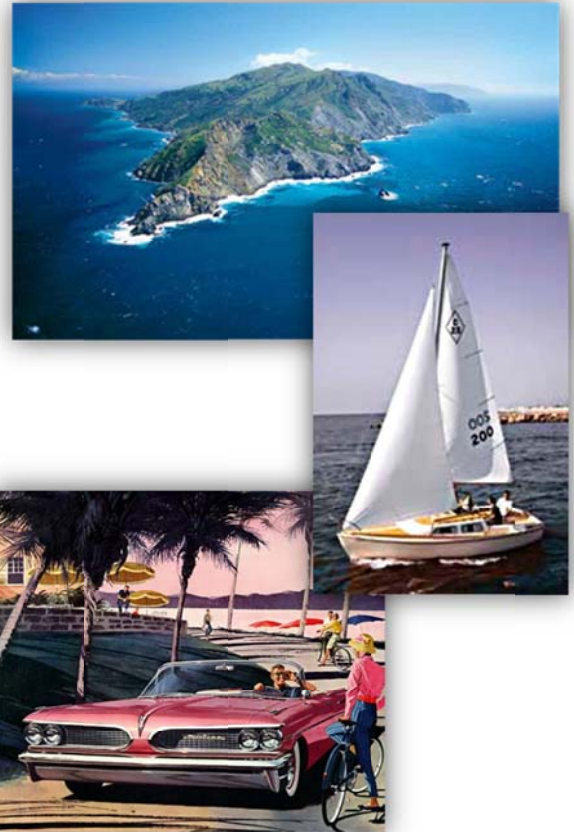
¹ Landor Associates (www.landor.com)

Catalina

Catalina has been chosen as the estate name because it evokes a period of glamour and fun in the sun. Its heritage is derived from a variety of sources that complement the brand position:

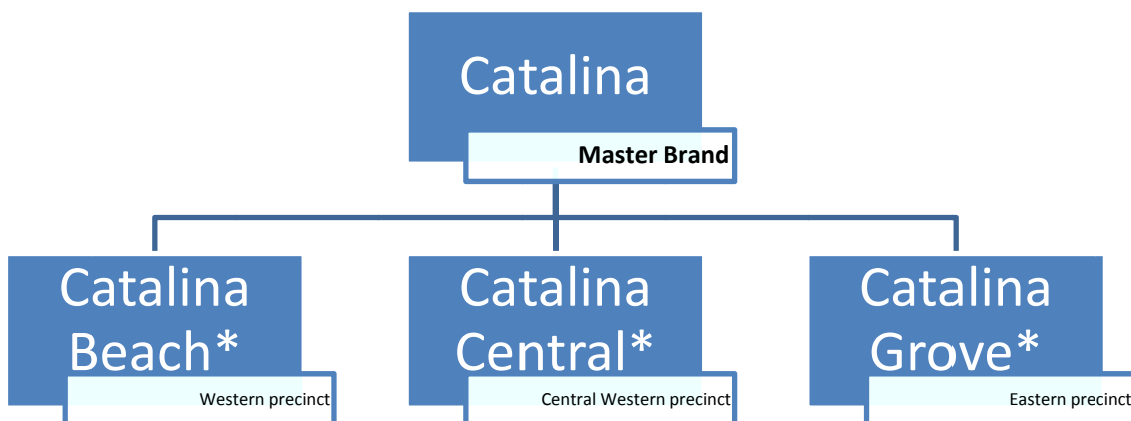
- A famous swimwear brand, sponsoring the Miss America Beauty Pageant in the 1940s
- A famous brand of yachts
- The Pontiac Catalina
- The name of a variety of islands and resorts around the world
- Flying boats operated by the RAAF in WA
- Means 'pure' in Greek

The associations of the Catalina brand name invoke a beach lifestyle in a magnificent ocean setting, along with a variety of transport options, consistent with the Catalina target market attributes. Catalina will appeal to people who desire to be within reach of the city yet enjoy a vibrant community and beachside living.



2.3. BRAND ARCHITECTURE

The Catalina brand architecture will include three (3) separate sub-brands representing the geographical precincts within the estate, led by a single master brand.



*Each precinct of the estate will represent a distinct product offer appealing to somewhat different target audiences.

Catalina Beach

Qualities	Classic, Timeless
Household Income	\$200,000
Land Prices	\$250,000 to \$500,000
House & Land Prices	> \$550,000
Key Attributes	<ul style="list-style-type: none">• High quality of streetscape, street furniture and paving• Beaumaris standard of landscaping (higher standard than Burns Beach)• Mostly 2-storey product• Marketing campaign to reinforce coastal lifestyle, proximity to Mindarie Keys and premium housing

Catalina Central

Qualities	Contemporary, Modern classic
Household Income	\$150,000 to \$200,000
Land Prices	\$190,000 to \$370,000
House & Land Prices	\$385,000 to \$650,000
Apartments	\$300,000-\$380,000
Key Attributes	<ul style="list-style-type: none">• High quality of streetscape, street furniture and paving;• Heron Park (Harrisdale) standard of landscaping• Some 2-storey product• Some medium density product adjacent to Ocean Keys Shopping Centre, transport routes and parks• Marketing campaign to reinforce high quality of landscaping, coastal lifestyle, beach and proximity to Clarkson DC and train station

Catalina Grove

Qualities	Contemporary, eclectic/funky, young and hip
Household Income	\$125,000 to \$150,000
Land Prices	\$185,000 to \$310,000
House & Land Prices	\$375,000 to \$575,000
Apartments	\$290,000-\$370,000
Key Attributes	<ul style="list-style-type: none">• High quality of streetscape, street furniture and paving;• Brighton medium density standard of landscaping• Some 2-Storey product• Marketing campaign to reinforce proximity to amenities in particular Clarkson DC and rail station• Similar to Joondalup City Centre in design

2.4. THE CATALINA POSITIONING & STYLE



Key word and word groups to be used in the representation of the Estate are:

Glamour
Charm

Sparkling
Pristine
Elegant

Sunshine
Beach
Fun

Playful
Colourful
Fresh

Vibrant
Alluring

Inspire
Invite
Freedom
Connect

3. SITUATION ANALYSIS

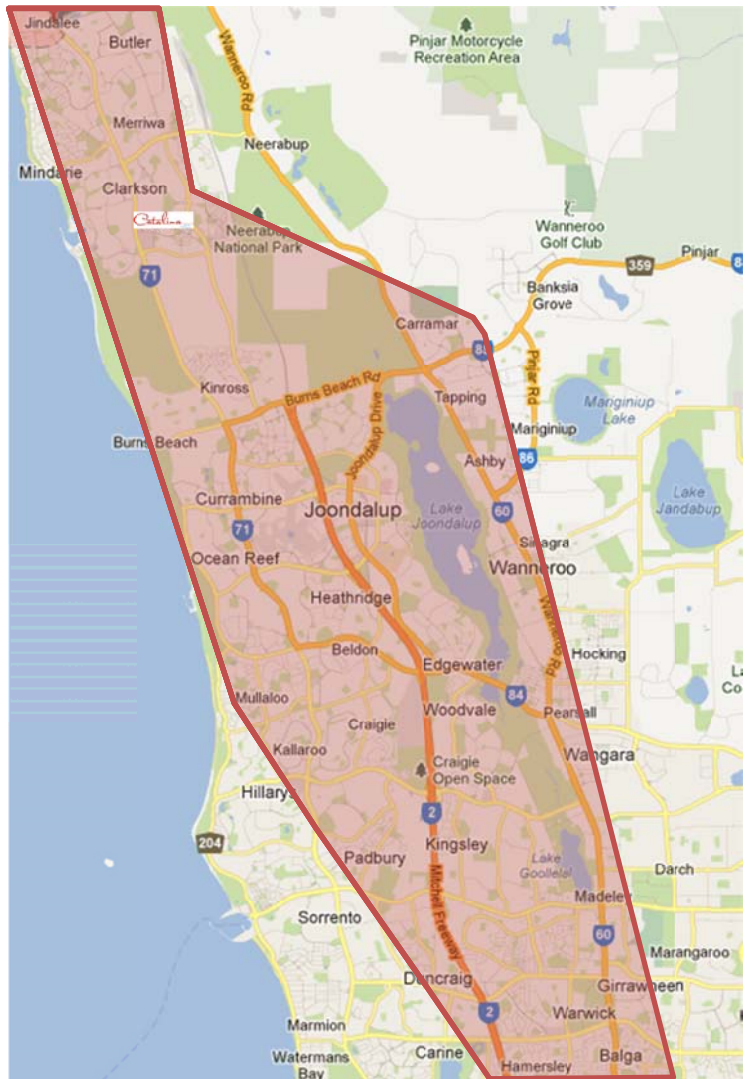
3.1. LOCATION

Catalina is located within the City of Wanneroo, one of the fastest growing residential areas in Perth. In 2009 Forecast ID predicted that between 2009 and 2027 the population of the Local Government Area of Wanneroo would increase by 135,300 people at an average annual growth rate of 4.2%².

The catchment area for target customers is represented by the shaded area on the map provided, Perth's northern corridor.

This includes the areas north of Reid Highway, inland from Balga to Wanneroo and Carramar and north to Jindalee. This catchment area encompasses the cities of Wanneroo and Joondalup³.

Since 2011 the catchment area has extended south to Balga and Hamersley and north to Butler and Jindalee³.



Catalina Catchment Area³

²MacroPlanAustralia, *Catalina Butler Market Research Report* (2009)

³Metrix Consulting, *Catalina Geomapping Report* (2012)

The key demographic characteristics of the northern corridor are:

- A larger percentage of white collar professionals compared to blue collar workers.
- Low university attendance at 15.1% of population⁴.
- Largely Australian born, with high immigration from the United Kingdom.
- Individual median weekly income of \$685⁵.
- More affluent couples/families tend to reside closer to the coastline.
- Younger demographic skew – 34.2% under the age of 24 in the Local Government Area⁶.
- Forecasts predict an ageing population with a significant increase in the proportion of persons over the age of 65.
- An almost equal mix of male and female.
- Notable growth in households with incomes greater than \$100,000⁷.
- The most common reasons for choosing to live in the northern suburbs were lifestyle reasons, social reasons, knowing the area, affordability and accessibility.

Catchment Area Population Demographics⁸

Household Type	City of Wanneroo		City of Joondalup	
	2011*	%	2011*	%
Total Population	152,077		152,406	
Total households	56,334		58,524	
Couples with dependent children	21,425	51.6%	22,212	51.1%
One parent families	6,228	15.0%	5,387	12.4%
Couples without children	13,353	32.1%	15,280	35.2%
Other families	552	1.3%	579	1.3%
Average Household size	2.9 people		2.8 people	

Below is the population demographics data for Clarkson and Mindarie, the suburbs in which Catalina is located.

Household Type	Clarkson		Mindarie	
	2011*	%	2011*	%
Total Population	11,687		7,419	
Total households	4,462		2,575	
Couples with dependent children	1,475	47.4%	1,203	58.3%
One parent families	616	19.8%	158	7.7%
Couples without children	980	31.5%	687	33.3%
Other families	39	1.3%	14	0.7%
Average Household size	2.8 people		3.1 people	

*2011 census data is the most up-to-date population data available.

⁴ABS Census Data (2011)

⁵ABS Census Data (2011)

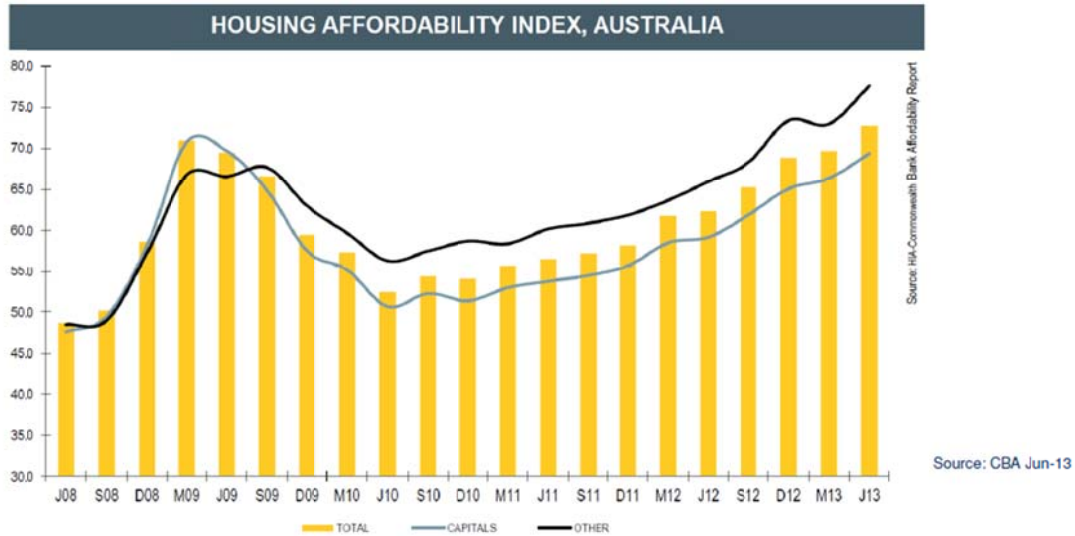
⁶ABS Census Data (2011)

⁷ABS Census Data (2011)

⁸ABS Census Data (2011)

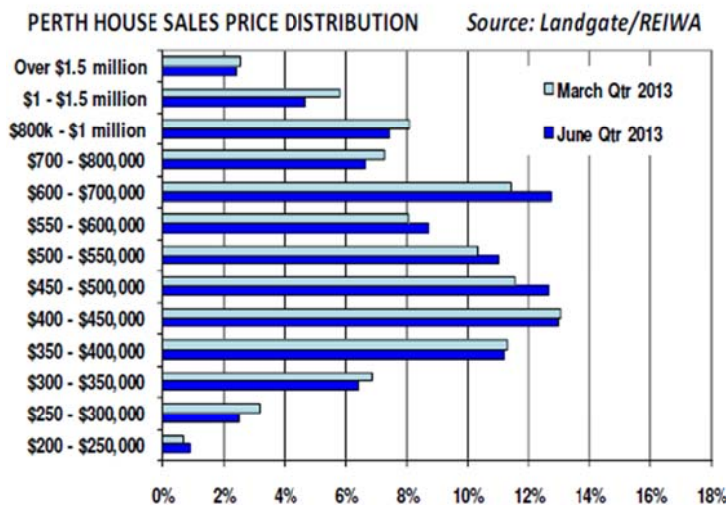
3.2 TRADING CONDITIONS

Outlook for Residential Property Affordability



Affordability continues to improve in line with interest rate cuts made over the 2012 calendar year and the two further cuts made in May & July 2013.

Outlook for Residential Property – Western Australia



- The median house price in Perth, excluding Mandurah/Murray, was \$508,000 as at September-13.
- Overall, the highest percentage of sales made sit in the \$400k – \$450k price range, with first home buyers making up 29% in the housing market.
- Trade-up activity in the \$450k - \$700k price ranges shows consumer confidence has lifted, with the \$600k - \$700k range showing a marked increase since the March-13 quarter

Market Drivers – Western Australia

- The market remains underpinned by ongoing investment in mining and energy, albeit this is starting to decline.
- Population growth still robust at 82,600, driven by a 19% increase in overseas migration when compared to the previous year, and ongoing strong interstate migration.
- Non-mining investment is starting to decline of the highs in 2012.
- Resource sector investment still strong, \$142 billion worth of significant resource projects either under construction or awaiting a final investment decision (as at Sep-13). Workforce requirements for the construction of these projects is expected to peak in 2014. From 2015, the decline in the construction workforce is expected to be partially offset by increased workforce requirements for operational staff.
- State and Federal Government construction and infrastructure projects continue to boost the construction industry as a result of population growth.
- Increased consumer confidence is set to underpin the WA economy, with consumer spending expected to increase by 5% over the 2013/14 financial (CCI media statement 24 Apr-13).
- Constrained land supply, slow state and federal development approvals and tight bank funding conditions resulting from Basel III compliance.
- Residential land sales remain robust across all growth corridors and we are seeing a small increase in rental vacancy rates.

As a result of the above, buyers are becoming less cautious and are more willing to take on larger debt and purchase their own home. Catalina has seen this improvement in the market by the high level of enquiry and traffic to the sales office, which has resulted in a high level of sales and regular turnover of stock.

The trading conditions are conducive to meeting budget realisations including the assumed escalation rates within the approved cashflow.

Catalina Price Growth

Product Type	Stage 4	Stage 5	% Increase	Stage 7	% Increase	Stage 8	% Increase	Stage 9	% Increase	Annualised Growth
Release Date	Nov-12	Feb-13		Jun-13		Sep-13		Nov-13		
Cottage A (375m ²)	235,000	236,500	1%	250,000	6%	258,000	3%	279,000	8%	18%
Traditional (450m ²)	265,000	272,500	3%	285,000	5%	293,000	3%	319,000	9%	20%
Squat Lot (300m ²)			NA	217,000	NA	228,000	5%		NA	20%
Rear Loaded (225m ²)	165,000	175,000	6%	181,000	3%	184,000	2%	197,000	7%	19%

3.3 COMPETITOR ANALYSIS

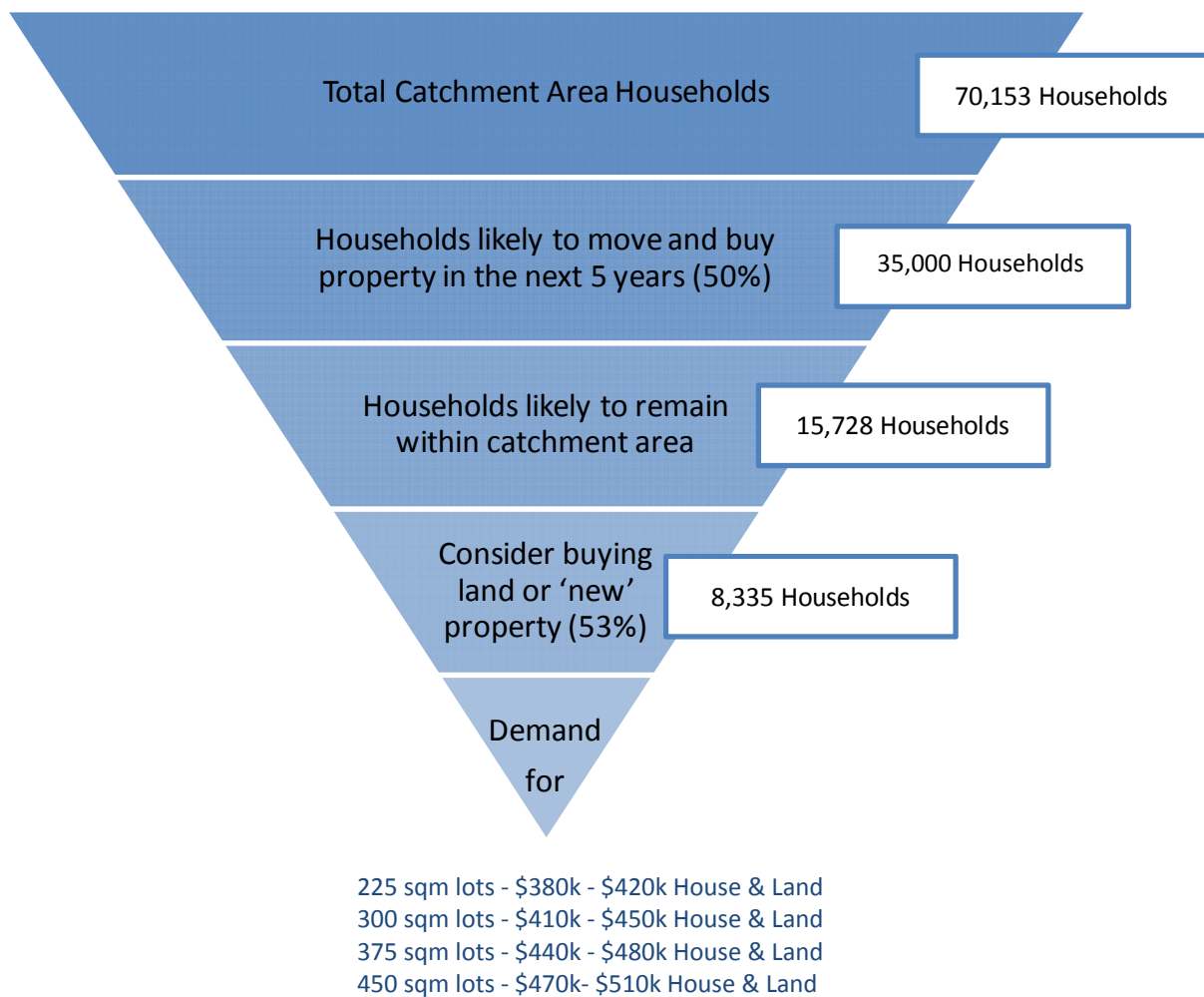
Estate	Developer	Location	Lot sizes	Price Range
Brighton	Satterley	Butler	Lot size range from 321m ² - 595 m ² . Mainly builders stock available.	\$173,000- \$235,000
Shorehaven	PEET and Co	Alkimos	Lots available within the Rise precinct (west of Marmion Avenue) average lot size of 300 to 590m ² .	\$245,000- \$380,000
Burns Beach	PEET and Co	Burns Beach	Lots currently on the market. Additional \$30,000 incentive on top of fencing and landscaping.	\$395,000 to \$670,000
Beaumaris	Satterley	Iluka	Lots currently on the market. Lot size range from 450m ² – 746m ²	\$445,000 to \$635,000
Jindalee	Heath Development Company	Jindalee	Lots currently on the market. Lot size range from 411 m ² - 766 m ² .	\$410,000 - \$625,000
Banksia Grove	Walker and PRM	Banksia Grove	Lots currently on the market. Lot size range from 255 m ² - 499m ² . All block sold include front garden landscaping, front garden reticulation, side and rear fencing.	\$190,000- \$234,000
Alkimos Beach	Land Corp Lend Lease	Alkimos	Lots currently on the market. Lot size range from 375 m ² - 595 m ²	\$221,000- \$287,000
Trinity	LWP	Alkimos	Lots currently on the market. Lot size range from 270 m ² - 636 m ² .	\$190,000 - \$259,000
Eden Beach	Satterley	Butler	First released October 2013. Offer a variety of lot sizes 300 m ² - 500m ² .	\$240,000- \$360,000
Amberton	Stockland	Eglinton	Lots currently on the market. Lot size range from 294 m ² -529 m ²	\$240,000- \$290,000

3.4 SWOT ANALYSIS

Weaknesses	Threats
<ul style="list-style-type: none"> • Limited amenities within the estate • Lack of beach access • Difficulty in developing beach access • Public transport is limited • Landfill site in close proximity 	<ul style="list-style-type: none"> • Buyer perception of West vs. East Marmion • Value comparisons in the area • Risk averse project owners • Threat of loss in advertising market share in Northern Corridor due to many other competing estates • Market volatility - threat of future interest rate rises reducing affordability • Less migration to the area • Negative perceptions of Clarkson area transferred to Catalina • High level of rental housing • Environmental impacts from Tamala Park landfill
Strengths	Opportunities
<ul style="list-style-type: none"> • Proximity to the beach • Urban infill land, verses frontier development • Access to surrounding amenities such as Mindarie Marina, train station, Ocean Keys • Future planned amenities • Satterley brand association with the development • Innovations (once finalised) • Great accessibility to Clarkson Train Station • Proximity to Perth CBD (compared to other northern corridor competitors). 	<ul style="list-style-type: none"> • Breadth of project creates diversity – 2.4km. • Capitalise on the existing amenities in surrounding suburbs • Wide mix of housing density options • “Bush Forever” to the south of the development • New sales office located near Marmion Ave • FHB grant change • Baby boomers moving into retirement • More projects planned for the Catalina area (Alkimos, Yanchep) - increase in both traffic and attention to area • Early establishment of neighbourhood activity centre, childcare site along with other community services
<p>Critical Success Factors (the marketing plan will need to):</p>	
<ol style="list-style-type: none"> 1. Clearly define and communicate unique proposition. 2. Generate awareness of the project. 3. Equip the sales force with the tools to achieve success. 	

4. TARGET AUDIENCE

The opportunity for sales of vacant land and new dwellings in Catalina can be quantified based on a number of assumptions. The scenario presented here has been used to identify the market opportunity for sales within the estate in the first five years. The scenario is based on identifying a geographical catchment area around Catalina from which to target sales opportunities and the assumptions are formed from the community research undertaken in the catchment area in March 2011 (n=200).



4.1 GEOGRAPHICAL LOCATION

The diverse product range of Catalina will enable it to appeal to a broad range of demographics within the first to third home buyer market segments in a primary catchment that is represented by suburbs within the City of Wanneroo and Joondalup.

The Brighton Butler Market Research February 2010 Report indicates that 39% of potential residents surveyed stated that their preferred future location was the same or greater distance from central

Perth³. This highlights that outer Perth is still viewed as an attractive destination for a significant proportion of potential residents.

4.2 DEMOGRAPHICS AND ATTITUDINAL

Key demographic indicators of the target market catchment areas are shown below.

	City of Wanneroo		City of Joondalup		Metropolitan Perth
Population and Households⁹	2011*		2011*		
Persons	152,077		152,406		1,728,867
Households	56,334		58,524		726,004
Socio Economic Snapshot					
High household income (\$1500+p/w)	22,007	39.1%	24,485	41.8%	37.0%
Average household income (\$600 - \$1499 p/w)	14,235	25.3%	9,692	16.6%	23.6%
Low household income (\$1 - \$599 p/w)	6,889	12.2%	2,944	5.0%	14.3%
Demographic Snapshot					
Age Distribution					
0- 4 years	12,896	8.5%	9,249	6.1%	6.6%
5- 17 years	31,295	20.6%	27,412	18.0%	16.6%
18- 64 years	94,451	42.4%	99,256	65.1%	58.4%
65- 84 years	11,991	7.9%	12,614	8.3%	10.9%
85 years+	1445	0.9%	2,976	2.0%	1.6%
Tenure Type					
Owner/Purchaser	37,000	65.7%	42,344	72.4%	59.7%
Renter	11,110	19.7%	9,566	16.3%	23.8%
Dwelling Type					
Separate house	45,165	80.2%	48,410	82.7%	67.9%
Semi-detached	3,481	6.2%	2,666	4.6%	10.3%
Flat, Unit, Apartment	948	1.7%	1,746	3.0%	7.8%

*2011 census data is the most up-to-date population data available.

⁹ABS Census Data (2011)

INDICATIVE HOUSE TYPES AND TARGET MARKETS

Typology		Area (sqm)	Target Market	Land \$	House/Land \$
Low Density	Traditional	450	Mature families	\$319,000	\$510,000
	Family	510	Mature families	\$345,000	\$540,000
Medium Density	Promenade	187.5	1 st home buyers	\$178,000	\$345,000
	Lifestyle 1	375	Growing families, empty nesters	\$279,000	\$470,000
	Lifestyle 2	300	Young families, empty nesters	\$242,000	\$425,000
	Cottage	300	Young families, empty nesters	\$247,000	\$430,000
	Terrace	225	1 st home buyers, empty nesters	\$197,000	\$385,000
	Contemporary	300	Young families, empty nesters	\$250,000	\$440,000
Higher Density	Studio	NA	Singles	NA	\$275,000
	Group/Villa/Duplex	NA	Singles, couples (no children), empty nesters	NA	\$315,000
	Multiple/Apartment/Maisonette	NA	Singles, couples (no children), empty nesters	NA	\$300,000
	Retirement	NA	Retirees	NA	\$330,000

¹ House and Land prices from realestate.com.au

Primary Target Audience

The primary target audience for Catalina are middle income, 23 – 55 year old couples with young and adolescent families. West Australians within this demographic are likely to be purchasing their second or third home; at the growth stage of the purchase life cycle.

Second home buyers have dramatically increased in the northern corridor from 16% of respondents in 2001 to 29% in 2009⁴. Catalina will target families who are more asset rich and experienced entering the market to purchase their second home through public releases.

Medium density lots at Catalina are being sold through Builder releases, which are targeting first home buyers and investors.

A key message for the primary audience is the affordability, lifestyle and expected growth in value of the Catalina estate.

Key characteristics of 'families' include:

- Average age 23 – 55 years old.
- Low to medium density products are the most popular product.
- Seek space for growing children.
- Attracted to beach and outdoor lifestyle.
- Work full time.
- Work in industries such as professional services (17%), health and community services (17%), retail (15%) and building and construction (14%)⁵.
- Prefer a large family home with three or four bedrooms (89%)⁶.



Primary target audience representation: Families

⁴ Forecast ID (2009) retrieved on 16 December 2010.

⁵ Forecast ID (2009) retrieved on 16 December 2010.

⁶ Forecast ID (2009) retrieved on 16 December 2010.

Secondary Target Audience

'Downsizers' and/or pre-retirees make up the second segment of the target audience. 'Downsizers' are either middle aged and mature families or couples seeking to 'downsize' from surrounding areas. This segment also consists of pre-retirees, often referred to as 'empty nesters'. Typically this segment moves from a traditional lot to a medium density or cottage lot as a result of reductions in household size or a desire to reduce debt and/or property maintenance time/costs. They have a higher amount of equity and have a lower cancellation risk than other target groups.

Key characteristics of 'pre-retirees' include:

- Average age is 40- 65 years old.
- Largely still working in well paid positions.
- Medium to high density products are the most popular product.
- Attracted to 'up-specked' product through more premium fittings and finishes.
- Want to downsize in order to free up equity.
- Want to live close to their grandchildren.
- Attracted to the convenience of lock-up-and-leave convenience that high density products allow
- Do not want to move into retirement villages because they do not consider themselves typically 'retired'.



Secondary target audience representation: Down-sizers

Tertiary Target Audience

“First home buyers” represent an important market segment for Catalina, particularly with the current mix of medium density lots available. Future demand from this segment will primarily be influenced by the form of any continuing assistance provided by the Government.

Young couples and families represent the majority of first home buyer audience, with the most common household makeup being couples with one young child, representing over half of all residents in surrounding estates⁷. This trend is also reflective of the wider Butler area with the medium average household size of 3.17⁸.

There has also been a growing trend for single residents buying medium density properties in the region, making up 16% of current Brighton residents⁹. Of the single residents, a large proportion are single male FIFO workers who are attracted to the low maintenance of medium density homes and the security and ocean side benefits of the estate. There is great opportunity to target this segment by emphasizing the ‘easy and convenient living’ message.

The key characteristics of target First Home Buyers:

- Aged 18 – 30 years.
- Work full time.
- Couples and singles
- Dependent on affordability and/or availability Traditional blocks (>500m²) is the most popular product however medium density blocks are typically purchased by the lower end first home buyer¹⁰.
- Inexperienced and naive to home building and ownership.



Tertiary target audience representation: First Home Buyers

⁷ MacroPlan Australia, *Brighton Butler Market Research Report* (2009)

⁸ Forecast ID, 2009 retrieved on 29 January 2010 from <http://forecast.id.com.au/Default.aspx?id=137&gid=10&pg=30061>

⁹ MacroPlan Australia, *Brighton Butler Market Research Report* (2009)

¹⁰ Forecast ID (2009) retrieved on 16 December 2010.

The target market for Catalina varies dependent upon the precinct within the Catalina estate, as represented by the table below.

Precinct	Target Market		
	Families	Downsizers	First Home Buyers
Catalina Beach*	✓	✓	
Catalina Central*	✓	✓	✓
Catalina Grove*		✓	✓

4.3 KEY STAKEHOLDERS

Satterley enjoys strong and effective working relationships with a range of key stakeholders in the Northern Corridor, from community groups to Local and State Government authorities. This is partially due to the scale of representation it has in the region through Satterley's other similar developments.

Audience	Rationale
Builders	The right product mix of display homes is essential to the success of the estate.
Builder's Representatives	Builder's representatives remain a highly important source of referral businesses not only those who are likely to take-up display home options within the estate but those on competing estates.
Family and friends of potential purchasers	Parents of young prospects and friends can be very influential in the purchase decision and often provide the early alert to purchasers of an estate's existence or potential worth.
Current Satterley Residents	Current residents of Satterley estates, in particular at Catalina, are ambassadors and can provide firsthand experience and knowledge of the development to prospective residents/investors. This group will spread positive WOM amongst fellow colleagues, friends and family.
City of Wanneroo City of Joondalup Mindarie & Clarkson Residents	Mayor, Councillors, CEO and officers. Favourable impressions and an ongoing relationship will assist in issues management and future developments in the area.
Audience	Rationale
Local Businesses	Referrals from business and to businesses in an area are a two-way street.
School Community	Principal, School Council and parents. This creates an opportunity for the referral both formally and informally.
Higher Education	Chancellor, University Council, Executive Team, Student Unions, International Students. Edith Cowan University, Joondalup West Coast TAFE, Joondalup This creates an opportunity for the referral both formally and informally.

4.4 KEY MESSAGES

Audience	Motivation	Emotive Messaging
Primary Target Audience Families	“We need room to grow, easy access to shopping, other amenities and the beach. We also want confidence that our decision has a very real opportunity to grow our equity. Finally, the reputation of the developer and quality of the development is also important to us”	“Lifestyle uncompromised”
Secondary Target Audience Downsizers & Pre-retirees	“I’ve worked hard to deserve the lifestyle I desire”	“Live it up”
Tertiary Target Audience First Home Buyers	“We want to make a good start on the property market in a location that suits my lifestyle.”	“A smart move”

5 MARKETING STRATEGY

5.1 SUMMARY

The key marketing strategies include raising the profile of Catalina, leveraging Satterley brand equity to benefit the project; positioning Catalina as an aspirational, progressive and sophisticated community; gather new market intelligence to inform decision-making; support an early and strong sales programme and promote the wide product range in both lots and built form, maintaining strong consistent presence in the marketplace and a presence in the surrounding area.

The marketing strategy and activities will be continually reviewed and timing remains flexible depending on rate of sale and lot product. The marketing strategies address both the long term positioning and short term objectives of the project.

The thinking behind the overall marketing strategy ensures the critical success factors are delivered:

Critical Success Factors (the marketing plan will need to):

1. Clearly define and communicate unique proposition
2. Generate enquiry by maintaining a consistent presence in the marketplace.
3. Equip the sales force with the tools to achieve success

It is important to fully leverage Satterley’s strong brand and unique marketing advantages. Satterley enjoys 87% brand awareness in the Perth northern beaches region, and 95% of residents would consider purchasing in another Satterley estate..¹¹

Examples of how the Satterley brand has been leveraged in raising the profile of Catalina include:

- Satterley base plate included on all advertising, marketing collateral and signage;
- Catalina brochure features a Welcome introduction to Catalina Estate by Nigel Satterley;
- Catalina website is located within the Satterley website, therefore traffic is driven directly to the Satterley website for information on and to register for Catalina; and
- Site inspection tours and information sessions conducted by Nigel Satterley.
- Maximum benefit of leveraging the Satterley brand through public relations editorial.

The market research that Satterley has conducted over a 10 year period with 2,026 new residents, prospective purchasers and residents in competing estates has been used to develop the marketing strategy.

5.2 OBJECTIVES

The overall project performance target for Catalina is defined below, based on the information available at time of writing. Sales profile for Catalina is provided below:

FYE12	FYE13	FYE14	FYE15	FYE16	FYE17	FYE18	FYE19	FYE20	FYE21	FYE22	FYE23	FYE24	FYE25
48	227	199	250	200	200	180	180	180	180	180	180	180	51

The table below represents how each of the elements identified in the SWOT analysis has been addressed according to the marketing initiatives recommended.

¹¹ MacroPlan Australia, *Brighton Butler Market Research Report* (2009)

SWOT	Initiative					
	Strategy Development	Innovation	Define the opportunity	Visual Brand	Generate Awareness	Strong Early sales
Weaknesses						
Limited amenities within the estate		✓				
Lack of beach access		✓				
Difficulty in developing beach access		✓				
Public transport is limited	✓	✓				
Landfill site in close proximity				✓	✓	✓
Strengths						
Proximity to ocean	✓				✓	
Urban infill land, verses frontier development	✓	✓	✓			
Access to surrounding amenities				✓		
Future planned amenities	✓					
Satterley brand association with the development	✓		✓	✓	✓	✓
Innovations (once finalised)	✓					
Rail-line great accessibility		✓				
Threats						
High competition	✓		✓		✓	
Buyer perception of West vs. East Marmion	✓			✓	✓	✓
Value comparisons in the area	✓					
Risk averse project owners	✓					
Threat of loss in advertising market share in Northern Corridor			✓		✓	✓
Market volatility	✓					✓
Less migration to the area			✓			✓
Negative perceptions of Clarkson	✓			✓	✓	
Opportunities						
Breadth of project creates diversity	✓	✓		✓	✓	
Capitalise on the existing amenities		✓		✓	✓	
Wide mix of housing density options	✓		✓			
"Bush Forever" to the south of the development	✓			✓	✓	
Sales office location near Marmion thoroughfare				✓	✓	✓
Change suburb name to estate name	✓					
FHB grant change			✓			
FIFO set to increase	✓		✓			✓
Baby boomers moving into retirement	✓		✓			
Increase in both traffic and attention to area.				✓	✓	

DISPLAY VILLAGE AND LAND SALES OFFICE STRATEGY

Display Village #1: Central Cell – Jan 2014 to Feb 2016 – Use Sales office on Lot 170

Display Village #2: Central Cell – March 2016 to June 2018 – Use Sales office on Lot 170

Display Village #3: Western Cell – July 2018 to December 2020 – Build new land sales office

6 BUDGETS

6.1 EXPLANATION OF BUDGET SPLIT & ALLOCATION OVERALL LIFE OF THE PROJECT

Category	Inclusions	
Strategy, research and branding	<p>This reflects the cost of estate photography and any consultancy required to develop cost-effective marketing strategies for Catalina.</p> <p>In addition ongoing market research on past and prospective purchasers will be proposed to be undertaken as part of the Satterley Customer Tracker survey. The cost for research more specific to Catalina will also be allocated here.</p>	10%
Advertising	<p>This covers advertising production and media including TV, radio, press, outdoor, online, as well as direct mail and EDM dissemination to support stage releases and Estate Campaigns.</p> <p>Advertising expenditure outside of release phases so as to keep a steady presence in the market due to strong aggressive competitors and wide catchment.</p>	43%
Website	<p>Website costs include a monthly retainer for ongoing maintenance carried out by both external and internal consultants.</p>	2%
Signage	<p>This relates to the production and installation of all signage required including:</p> <ul style="list-style-type: none"> - External directional signage in high traffic areas. - Directional and lifestyle signage within the estate as the project is established, including signage for the display village -lot signs <p>Signage maintenance has also been factored into the budget.</p>	21%
Sales Office	<p>These costs are for the marketing fit-out, signage and model and do not include furniture and acquisition costs which are considered capital items and covered in a separate line item in the Project Budget. No allowance has been made for display village development in this marketing plan. This budget also allows for Builder Relations events and stakeholder management activities.</p>	9%
Estate Brochures and flyers	<p>The budget reflects the cost of all new literature (Estate Map & Amenities Flyer, Display Village Guide, folders, and sales maps) and the ongoing maintenance cost of plans and price lists.</p>	5%
Promotions	<p>Promotional costs include contribution to the bi-annual combined Satterley / Builder Partner promotions. This cost also reflect a small</p>	7%

	amount of giveaways that may be related to events or sales handouts and prizes offered in consumer competitions.	
Public Relations	All public relations costs are internal for press releases, writing and event management and external for photography and some miscellaneous consultancy.	3%
Agency/Consultants	Marketforce fees and charges are included in the relevant budget categories at 5% service fee, 10% commission (split with OMD media buying) and creative charges.	
Total		100%



October 25th & 26th, 2014
Perth Convention and Exhibition Centre

Thursday January 16, 2014

Mr Tony Arias
Chief Executive Officer
Tamala Park Regional Council
PO Box 655,
Innaloo WA 6918

CONFIDENTIAL

Dear Mr Arias,

Re: Telethon Charity Home at Catalina

I'm writing to you on behalf of the trustees of the Channel 7 Telethon Trust, in regards to building the 2015 Telethon Charity Home at Catalina and I'm seeking the Tamala Park Regional Council's support by supplying a block of land to achieve this.

The Channel 7 Telethon Trust is a non-profit charity organization that raises funds to financially support the medical and social welfare of children and young people and finances research into children's diseases.

The Trust and our charity home builder JWH Group has significant experience in managing and coordinating the construction, marketing and sale of Telethon charity homes over many years. Telethon Homes have raised made many millions of dollars for Telethon and in the process provided substantial benefits to Telethon's beneficiaries. The Telethon Home will be able to generate a very high profile for the Catalina project and generate significant marketing and promotional opportunities.

No potential lot has been identified for a Telethon Home at Catalina but the Trust and our project partners JWH Group would like to work with the Tamala Park Regional Council to identify an appropriate location which would benefit the Catalina project.

At this stage the Telethon Trust is seeking "in principle support" from the Tamala Park Regional Council for the 2015 Telethon Home at Catalina following which the details such as the level of Council's support, the home location and the significant marketing and promotional opportunities would form the basis of an agreement.

I would appreciate you presenting this proposal to the Tamala Park Regional Council for consideration.

Kind regards,


Steve Mummery
General Manager
Channel 7 Telethon Trust